

SECOND REGULAR SESSION

**HOUSE BILL NO. 2641**

**99TH GENERAL ASSEMBLY**

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INTRODUCED BY REPRESENTATIVE HURST.

6498H.011

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 135.010, 135.015, 135.020, 135.025, 135.030, 135.035, 135.090, 135.096, 135.100, 135.200, 135.235, 135.276, 135.300, 135.327, 135.337, 135.341, 135.350, 135.400, 135.460, 135.478, 135.490, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.686, 135.700, 135.710, 135.766, 135.906, 135.950, 135.1150, 135.1180, 143.011, 143.021, 143.022, 143.031, 143.041, 143.051, 143.081, 143.106, 143.111, 143.113, 143.114, 143.118, 143.119, 143.121, 143.123, 143.124, 143.125, 143.127, 143.131, 143.141, 143.143, 143.151, 143.161, 143.171, 143.173, 143.174, 143.181, 143.341, 143.361, 143.1100, and 143.2100, RSMo, and to enact in lieu thereof forty-one new sections relating to taxation, with a delayed effective date.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 135.010, 135.015, 135.020, 135.025, 135.030, 135.035, 135.090,  
2 135.096, 135.100, 135.200, 135.235, 135.276, 135.300, 135.327, 135.337, 135.341, 135.350,  
3 135.400, 135.460, 135.478, 135.490, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600,  
4 135.630, 135.647, 135.679, 135.680, 135.686, 135.700, 135.710, 135.766, 135.906, 135.950,  
5 135.1150, 135.1180, 143.011, 143.021, 143.022, 143.031, 143.041, 143.051, 143.081, 143.106,  
6 143.111, 143.113, 143.114, 143.118, 143.119, 143.121, 143.123, 143.124, 143.125, 143.127,  
7 143.131, 143.141, 143.143, 143.151, 143.161, 143.171, 143.173, 143.174, 143.181, 143.341,  
8 143.361, 143.1100, and 143.2100, RSMo, are repealed and forty-one new sections enacted in lieu  
9 thereof, to be known as sections 135.100, 135.200, 135.235, 135.276, 135.300, 135.327,  
10 135.337, 135.341, 135.350, 135.400, 135.460, 135.478, 135.490, 135.535, 135.545, 135.550,  
11 135.600, 135.630, 135.647, 135.679, 135.680, 135.686, 135.700, 135.710, 135.766, 135.906,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

12 135.950, 135.1150, 135.1180, 143.011, 143.022, 143.031, 143.041, 143.051, 143.111, 143.121,  
13 143.173, 143.181, 143.341, 143.1100, and 143.2100, to read as follows:

135.100. As used in sections 135.100 to 135.150 the following terms shall mean:

2 (1) "Commencement of commercial operations" shall be deemed to occur during the first  
3 ~~taxable~~ tax year for which the new business facility is first available for use by the taxpayer,  
4 or first capable of being used by the taxpayer, in the revenue-producing enterprise in which the  
5 taxpayer intends to use the new business facility;

6 (2) "Existing business facility", any facility in this state which was employed by the  
7 taxpayer claiming the credit in the operation of a revenue-producing enterprise immediately prior  
8 to an expansion, acquisition, addition, or replacement;

9 (3) "Facility", any building used as a revenue-producing enterprise located within the  
10 state, including the land on which the facility is located and all machinery, equipment and other  
11 real and depreciable tangible personal property acquired for use at and located at or within such  
12 facility and used in connection with the operation of such facility;

13 (4) "NAICS", the North American Industrial Classification System as such  
14 classifications are defined in the 2007 edition of the North American Industrial Classification  
15 System;

16 (5) "New business facility", a facility which satisfies the following requirements:

17 (a) Such facility is employed by the taxpayer in the operation of a revenue-producing  
18 enterprise. Such facility shall not be considered a new business facility in the hands of the  
19 taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person  
20 or persons. If the taxpayer employs only a portion of such facility in the operation of a  
21 revenue-producing enterprise, and leases another portion of such facility to another person or  
22 persons or does not otherwise use such other portions in the operation of a revenue-producing  
23 enterprise, the portion employed by the taxpayer in the operation of a revenue-producing  
24 enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c),  
25 (d) and (e) of this subdivision are satisfied;

26 (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 1983. A  
27 facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31,  
28 1983, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding  
29 contract to transfer title to the taxpayer, or the commencement of the term of the lease to the  
30 taxpayer occurs after December 31, 1983, or, if the facility is constructed, erected or installed by  
31 or on behalf of the taxpayer, such construction, erection or installation is commenced after  
32 December 31, 1983;

33 (c) If such facility was acquired by the taxpayer from another person or persons and such  
34 facility was employed immediately prior to the transfer of title to such facility to the taxpayer,

35 or to the commencement of the term of the lease of such facility to the taxpayer, by any other  
36 person or persons in the operation of a revenue-producing enterprise, the operation of the same  
37 or a substantially similar revenue-producing enterprise is not continued by the taxpayer at such  
38 facility;

39 (d) Such facility is not a replacement business facility, as defined in subdivision (11) of  
40 this section; and

41 (e) The new business facility investment exceeds one hundred thousand dollars during  
42 the tax period in which the credits are claimed;

43 (6) "New business facility employee", a person employed by the taxpayer in the  
44 operation of a new business facility during the ~~taxable~~ tax year for which the credit allowed  
45 by section 135.110 is claimed, except that truck drivers and rail and barge vehicle operators shall  
46 not constitute new business facility employees. A person shall be deemed to be so employed if  
47 such person performs duties in connection with the operation of the new business facility on:

48 (a) A regular, full-time basis; or

49 (b) A part-time basis, provided such person is customarily performing such duties an  
50 average of at least twenty hours per week; or

51 (c) A seasonal basis, provided such person performs such duties for at least eighty  
52 percent of the season customary for the position in which such person is employed;

53 (7) "New business facility income", the Missouri taxable income, as defined in chapter  
54 143, derived by the taxpayer from the operation of the new business facility. For the purpose of  
55 apportionment as prescribed in this subdivision, the term "Missouri taxable income" means, in  
56 the case of insurance companies, direct premiums as defined in chapter 148. If a taxpayer has  
57 income derived from the operation of a new business facility as well as from other activities  
58 conducted within this state, the Missouri taxable income derived by the taxpayer from the  
59 operation of the new business facility shall be determined by multiplying the taxpayer's Missouri  
60 taxable income, computed in accordance with chapter 143, or in the case of an insurance  
61 company, computed in accordance with chapter 148, by a fraction, the numerator of which is the  
62 property factor, as defined in paragraph (a) of this subdivision, plus the payroll factor, as defined  
63 in paragraph (b) of this subdivision, and the denominator of which is two:

64 (a) The property factor is a fraction, the numerator of which is the new business facility  
65 investment certified for the tax period, and the denominator of which is the average value of all  
66 the taxpayer's real and depreciable tangible personal property owned or rented and used in this  
67 state during the tax period. The average value of all such property shall be determined as  
68 provided in chapter 32;

69 (b) The payroll factor is a fraction, the numerator of which is the total amount paid  
70 during the tax period by the taxpayer for compensation to persons qualifying as new business

71 facility employees, as determined by subsection 4 of section 135.110, at the new business  
72 facility, and the denominator of which is the total amount paid in this state during the tax period  
73 by the taxpayer for compensation. The compensation paid in this state shall be determined as  
74 provided in chapter 32. For the purpose of this subdivision, "other activities conducted within  
75 this state" shall include activities previously conducted at the expanded, acquired or replaced  
76 facility at any time during the tax period immediately prior to the tax period in which  
77 commencement of commercial operations occurred;

78 (8) "New business facility investment", the value of real and depreciable tangible  
79 personal property, acquired by the taxpayer as part of the new business facility, which is used by  
80 the taxpayer in the operation of the new business facility, during the ~~taxable~~ tax year for which  
81 the credit allowed by section 135.110 is claimed, except that trucks, truck-trailers, truck  
82 semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches,  
83 barges, bridges, tunnels and rail yards and spurs shall not constitute new business facility  
84 investments. The total value of such property during such ~~taxable~~ tax year shall be:

85 (a) Its original cost if owned by the taxpayer; or

86 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental  
87 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the  
88 taxpayer from subrentals. The new business facility investment shall be determined by dividing  
89 by twelve the sum of the total value of such property on the last business day of each calendar  
90 month of the ~~taxable~~ tax year. If the new business facility is in operation for less than an entire  
91 ~~taxable~~ tax year, the new business facility investment shall be determined by dividing the sum  
92 of the total value of such property on the last business day of each full calendar month during the  
93 portion of such ~~taxable~~ tax year during which the new business facility was in operation by the  
94 number of full calendar months during such period;

95 (9) "Office", a regional, national or international headquarters, a telemarketing operation,  
96 a computer operation, an insurance company, a passenger transportation ticket/reservation system  
97 or a credit card billing and processing center. For the purposes of this subdivision,  
98 "headquarters" means the administrative management of at least four integrated facilities  
99 operated by the taxpayer or related taxpayer. An office, as defined in this subdivision, when  
100 established must create and maintain positions for a minimum number of twenty-five new  
101 business facility employees as defined in subdivision (6) of this section;

102 (10) "Related taxpayer" shall mean:

103 (a) A corporation, partnership, trust or association controlled by the taxpayer;

104 (b) An individual, corporation, partnership, trust or association in control of the taxpayer;

105 or

106 (c) A corporation, partnership, trust or association controlled by an individual,  
107 corporation, partnership, trust or association in control of the taxpayer. For the purposes of  
108 sections 135.100 to 135.150, "control of a corporation" shall mean ownership, directly or  
109 indirectly, of stock possessing at least fifty percent of the total combined voting power of all  
110 classes of stock entitled to vote; "control of a partnership or association" shall mean ownership  
111 of at least fifty percent of the capital or profits interest in such partnership or association; and  
112 "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the  
113 beneficial interest in the principal or income of such trust; ownership shall be determined as  
114 provided in Section 318 of the U.S. Internal Revenue Code;

115 (11) "Replacement business facility", a facility otherwise described in subdivision (3)  
116 of this section, hereafter referred to in this subdivision as "new facility", which replaces another  
117 facility, hereafter referred to in this subdivision as "old facility", located within the state, which  
118 the taxpayer or a related taxpayer previously operated but discontinued operating on or before  
119 the close of the first ~~taxable~~ tax year in which the credit allowed by this section is claimed. A  
120 new facility shall be deemed to replace an old facility if the following conditions are met:

121 (a) The old facility was operated by the taxpayer or a related taxpayer during the  
122 taxpayer's or related taxpayer's taxable period immediately preceding the ~~taxable~~ tax year in  
123 which commencement of commercial operations occurs at the new facility; and

124 (b) The old facility was employed by the taxpayer or a related taxpayer in the operation  
125 of a revenue-producing enterprise and the taxpayer continues the operation of the same or  
126 substantially similar revenue-producing enterprise at the new facility.

127

128 Notwithstanding the preceding provisions of this subdivision, a facility shall not be considered  
129 a replacement business facility if the taxpayer's new business facility investment, as computed  
130 in subsection 5 of section 135.110, in the new facility during the tax period in which the credits  
131 allowed in sections 135.110, 135.225 and 135.235 and the exemption allowed in section 135.220  
132 are claimed exceed one million dollars or, if less, two hundred percent of the investment in the  
133 old facility by the taxpayer or related taxpayer, and if the total number of employees at the new  
134 facility exceeds the total number of employees at the old facility by at least two except that the  
135 total number of employees at the new facility exceeds the total number of employees at the old  
136 facility by at least twenty-five if an office as defined in subdivision (9) of this section is  
137 established by a revenue-producing enterprise other than a revenue-producing enterprise defined  
138 in paragraphs (a) to (g) and (i) to (l) of subdivision (12) of this section;

139 (12) "Revenue-producing enterprise" means:

140 (a) Manufacturing activities classified as NAICS 31-33;

141 (b) Agricultural activities classified as NAICS 11;

- 142 (c) Rail transportation terminal activities classified as NAICS 482;  
143 (d) Motor freight transportation terminal activities classified as NAICS 484 and NAICS  
144 4884;  
145 (e) Public warehousing and storage activities classified as NAICS 493, miniwarehouse  
146 warehousing and warehousing self-storage;  
147 (f) Water transportation terminal activities classified as NAICS 4832;  
148 (g) Airports, flying fields, and airport terminal services classified as NAICS 481;  
149 (h) Wholesale trade activities classified as NAICS 42;  
150 (i) Insurance carriers activities classified as NAICS 524;  
151 (j) Research and development activities classified as NAICS 5417;  
152 (k) Farm implement dealer activities classified as NAICS 42382;  
153 (l) Interexchange telecommunications services as defined in subdivision (20) of section  
154 386.020 or training activities conducted by an interexchange telecommunications company as  
155 defined in subdivision (19) of section 386.020;  
156 (m) Recycling activities classified as NAICS 42393;  
157 (n) Office activities as defined in subdivision (9) of this section, notwithstanding NAICS  
158 classification;  
159 (o) Mining activities classified as NAICS 21;  
160 (p) Computer programming, data processing and other computer-related activities  
161 classified as NAICS 5415;  
162 (q) The administrative management of any of the foregoing activities; or  
163 (r) Any combination of any of the foregoing activities;  
164 (13) "Same or substantially similar revenue-producing enterprise", a revenue-producing  
165 enterprise in which the nature of the products produced or sold, or activities conducted, are  
166 similar in character and use or are produced, sold, performed or conducted in the same or similar  
167 manner as in another revenue-producing enterprise;  
168 (14) "Taxpayer", ~~[an individual proprietorship,]~~ a corporation described in section  
169 143.441 or 143.471 ~~[-and]~~ or partnership or an insurance company subject to the tax imposed  
170 by chapter 148, or in the case of an insurance company exempt from the thirty-percent employee  
171 requirement of section 135.230, to any obligation imposed pursuant to section 375.916.

135.200. The following terms, whenever used in sections 135.200 to 135.256, mean:

- 2 (1) "Department", the department of economic development;  
3 (2) "Director", the director of the department of economic development;  
4 (3) "Facility", any building used as a revenue-producing enterprise located within an  
5 enterprise zone, including the land on which the facility is located and all machinery, equipment

6 and other real and depreciable tangible personal property acquired for use at and located at or  
7 within such facility and used in connection with the operation of such facility;

8 (4) "Governing authority", the body holding primary legislative authority over a county  
9 or incorporated municipality;

10 (5) "NAICS", the North American Industrial Classification System as such  
11 classifications are defined in the 2007 edition of the North American Industrial Classification  
12 System;

13 (6) "New business facility" shall have the meaning defined in section 135.100, except  
14 that the term "lease" as used therein shall not include the leasing of property defined in paragraph  
15 (d) of subdivision (7) of this section;

16 (7) "Revenue-producing enterprise", means:

17 (a) Manufacturing activities classified as NAICS 31-33;

18 (b) Agricultural activities classified as NAICS 11;

19 (c) Rail transportation terminal activities classified as NAICS 482;

20 (d) Renting or leasing of residential property to low- and moderate-income persons as  
21 defined in federal law, 42 U.S.C. 5302(a)(20);

22 (e) Motor freight transportation terminal activities classified as NAICS 484 and NAICS  
23 4884;

24 (f) Public warehousing and storage activities classified as NAICS 493, miniwarehouse  
25 warehousing and warehousing self-storage;

26 (g) Water transportation terminal activities classified as NAICS 4832;

27 (h) Airports, flying fields, and airport terminal services classified as NAICS 481;

28 (i) Wholesale trade activities classified as NAICS 42;

29 (j) Insurance carriers activities classified as NAICS 524;

30 (k) Research and development activities classified as NAICS 5417;

31 (l) Farm implement dealer activities classified as NAICS 42382;

32 (m) Employment agency activities classified as NAICS 5613;

33 (n) Computer programming, data processing and other computer-related activities  
34 classified as NAICS 518;

35 (o) Health service activities classified as NAICS 621, 622, and 623;

36 (p) Interexchange telecommunications as defined in subdivision (20) of section 386.020  
37 or training activities conducted by an interexchange telecommunications company as defined in  
38 subdivision (19) of section 386.020;

39 (q) Recycling activities classified as NAICS 42393;

40 (r) Banking activities classified as NAICS 522;

41 (s) Office activities as defined in subdivision (9) of section 135.100, notwithstanding  
42 NAICS classification;

43 (t) Mining activities classified as NAICS 21;

44 (u) The administrative management of any of the foregoing activities; or

45 (v) Any combination of any of the foregoing activities;

46 (8) "Satellite zone", a noncontiguous addition to an existing state-designated enterprise  
47 zone;

48 **(9) "Taxpayer", a corporation, insurance company paying an annual tax on its**  
49 **gross premium receipts in this state, other financial institution paying taxes to this state or**  
50 **any political subdivision of this state under the provisions of chapter 148, or an express**  
51 **company paying an annual tax on its gross receipts in this state.**

135.235. To the extent that expenses incurred by a new business facility in an enterprise  
2 zone for the training of persons employed in the operation of the new business facility is not  
3 covered by an existing federal, state or local program, **the taxpayer** of such new business facility  
4 shall be eligible for a full tax credit equal to eighty percent of that portion of such training  
5 expenses which are in excess of four hundred dollars for each trainee who is a resident of the  
6 enterprise zone or who was at the time of such employment at the new business facility  
7 unemployable or difficult to employ as defined in section 135.240, provided such credit shall not  
8 exceed four hundred dollars for each employee trained. In the case of a small corporation  
9 described in section 143.471 or a partnership, all credits allowed by this section shall be  
10 apportioned in proportion to the share of ownership of the business to the following:

11 (1) The shareholders of the corporation described in section 143.471; or

12 (2) The partners in a partnership.

135.276. As used in sections 135.276 to 135.283, the following terms mean:

2 (1) "Continuation of commercial operations" shall be deemed to occur during the first  
3 **[taxable] tax** year following the **[taxable] tax** year during which the business entered into an  
4 agreement with the department pursuant to section 135.283 in order to receive the tax exemption,  
5 tax credits and refundable credits authorized by sections 135.276 to 135.283;

6 (2) "Department", the department of economic development;

7 (3) "Director", the director of the department of economic development;

8 (4) "Enterprise zone", an enterprise zone created under section 135.210 that includes all  
9 or part of a home rule city with more than twenty-six thousand but less than twenty-seven  
10 thousand inhabitants located in any county with a charter form of government and with more  
11 than one million inhabitants;

12 (5) "Facility", any building used as a revenue-producing enterprise located within an  
13 enterprise zone, including the land on which the facility is located and all machinery, equipment,



14 and other real and depreciable tangible personal property acquired for use at and located at or  
15 within such facility and used in connection with the operation of such facility;

16 (6) "NAICS", the industrial classification as such classifications are defined in the 1997  
17 edition of the North American Industrial Classification System Manual as prepared by the  
18 Executive Office of the President, Office of Management and Budget;

19 (7) "Retained business facility", a facility in an enterprise zone operated by the taxpayer  
20 which satisfies the following requirements as determined by the department and included in an  
21 agreement with the department:

22 (a) The taxpayer agrees to a capital investment project at the facility of at least five  
23 hundred million dollars to take place over a period of two consecutive ~~taxable~~ tax years ending  
24 no later than the fifth ~~taxable~~ tax year after continuation of commercial operations;

25 (b) The taxpayer has maintained at least two thousand employees per year at the facility  
26 for each of the five ~~taxable~~ tax years preceding the year of continuation of commercial  
27 operations;

28 (c) The taxpayer agrees to maintain at least the level of employment that it had at the  
29 facility in the ~~taxable~~ tax year immediately preceding the year of continuation of commercial  
30 operations for ten consecutive ~~taxable~~ tax years beginning with the year of the continuation of  
31 commercial operations. Temporary layoffs necessary to implement the capital investment project  
32 will not be considered a violation of this requirement;

33 (d) The taxpayer agrees that the amount of the average wage paid by the taxpayer at the  
34 facility will exceed the average wage paid within the county in which the facility is located for  
35 ten consecutive ~~taxable~~ tax years beginning with the year of the continuation of commercial  
36 operations;

37 (e) Significant local incentives with respect to the project or retained facility have been  
38 committed, which incentives may consist of:

39 a. Cash or in-kind incentives derived from any nonstate source, including incentives  
40 provided by the affected political subdivisions, private industry and/or local chambers of  
41 commerce or similar such organizations; or

42 b. Relief from local taxes;

43 (f) Receipt of the tax exemption, tax credits, and refunds are major factors in the  
44 taxpayer's decision to retain its operations at the facility in Missouri and go forward with the  
45 capital investment project and not receiving the exemption, credits, and refunds will result in the  
46 taxpayer moving its operations out of Missouri; and

47 (g) There is at least one other state that the taxpayer verifies is being considered as the  
48 site to which the facility's operations will be relocated;

49 (8) "Retained business facility employee", a person employed by the taxpayer in the  
50 operation of a retained business facility during the [taxable] tax year for which the credit allowed  
51 by section 135.279 is claimed, except that truck drivers and rail and barge vehicle operators shall  
52 not constitute retained business facility employees. A person shall be deemed to be so employed  
53 if such person performs duties in connection with the operation of the retained business facility  
54 on a regular, full-time basis. The number of retained business facility employees during any  
55 [taxable] tax year shall be determined by dividing by twelve the sum of the number of  
56 individuals employed on the last business day of each month of such [taxable] tax year. If the  
57 retained business facility is in operation for less than the entire [taxable] tax year, the number  
58 of retained business facility employees shall be determined by dividing the sum of the number  
59 of individuals employed on the last business day of each full calendar month during the portion  
60 of such [taxable] tax year during which the retained business facility was in operation by the  
61 number of full calendar months during such period;

62 (9) "Retained business facility income", the Missouri taxable income, as defined in  
63 chapter 143, derived by the taxpayer from the operation of the retained business facility. If a  
64 taxpayer has income derived from the operation of a retained business facility as well as from  
65 other activities conducted within this state, the Missouri taxable income derived by the taxpayer  
66 from the operation of the retained business facility shall be determined by multiplying the  
67 taxpayer's Missouri taxable income, computed in accordance with chapter 143, by a fraction, the  
68 numerator of which is the property factor, as defined in paragraph (a) of this subdivision, plus  
69 the payroll factor, as defined in paragraph (b) of this subdivision, and the denominator of which  
70 is two:

71 (a) The "property factor" is a fraction, the numerator of which is the retained business  
72 facility investment certified for the tax period, and the denominator of which is the average value  
73 of all the taxpayer's real and depreciable tangible personal property owned or rented and used in  
74 this state during the tax period. The average value of all such property shall be determined as  
75 provided in chapter 32;

76 (b) The "payroll factor" is a fraction, the numerator of which is the total amount paid  
77 during the tax period by the taxpayer for compensation to persons qualifying as retained business  
78 facility employees at the retained business facility, and the denominator of which is the total  
79 amount paid in this state during the tax period by the taxpayer for compensation. The  
80 compensation paid in this state shall be determined as provided in chapter 32;

81 (10) "Retained business facility investment", the value of real and depreciable tangible  
82 personal property, acquired by the taxpayer as part of the retained business facility after the date  
83 of continuation of commercial operations, which is used by the taxpayer in the operation of the  
84 retained business facility, during the [taxable] tax year for which the credit allowed by section

85 135.279 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge  
 86 vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, rail  
 87 yards, and spurs shall not constitute retained business facility investments. The total value of  
 88 such property during such ~~[taxable]~~ tax year shall be:

89 (a) Its original cost if owned by the taxpayer; or

90 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental  
 91 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the  
 92 taxpayer from subrentals. The retained business facility investment shall be determined by  
 93 dividing by twelve the sum of the total value of such property on the last business day of each  
 94 calendar month of the ~~[taxable]~~ tax year. If the retained business facility is in operation for less  
 95 than an entire ~~[taxable]~~ tax year, the retained business facility investment shall be determined  
 96 by dividing the sum of the total value of such property on the last business day of each full  
 97 calendar month during the portion of such ~~[taxable]~~ tax year during which the retained business  
 98 facility was in operation by the number of full calendar months during such period;

99 (11) "Revenue-producing enterprise", manufacturing activities classified as NAICS  
 100 336211;

101 **(12) "Taxpayer", a corporation, insurance company paying an annual tax on its**  
 102 **gross premium receipts in this state, other financial institution paying taxes to this state or**  
 103 **any political subdivision of this state under the provisions of chapter 148, or an express**  
 104 **company paying an annual tax on its gross receipts in this state.**

135.300. As used in sections 135.300 to 135.311, unless the context requires otherwise,  
 2 the following terms mean:

3 (1) "Missouri forestry industry residue", any residue that results from normal timber  
 4 harvest or production to include slash, sawdust, shavings, edgings, slabs, leaves, bark, and timber  
 5 thinnings from timber stand improvements;

6 (2) "Processed wood products", wood pellets, cubes, flour, or any product that results  
 7 from thermal, chemical, or mechanical processes that sufficiently alter the wood residue to be  
 8 used as an energy source. Hogged wood and chipped wood do not qualify as processed wood  
 9 energy resources under sections 135.300 to 135.311;

10 (3) "Wood energy producer", any ~~[person, firm or]~~ corporation ~~[who]~~ **that** engages in  
 11 the business of producing processed wood products, to be used as an energy source, from  
 12 Missouri forest industry residues;

13 (4) "Wood energy producing facility", a Missouri facility using Missouri forest industry  
 14 residue to produce processed wood products.

135.327. 1. ~~[Any person residing in this state who legally adopts a special needs child  
 2 on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit~~

3 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may  
4 be applied to taxes due under chapter 143.] Any business entity providing funds to an employee  
5 to enable that employee to legally adopt a special needs child shall be eligible to receive a tax  
6 credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted  
7 that may be applied to taxes due under such business entity's state tax liability, except that only  
8 one ten thousand dollar credit is available for each special needs child that is adopted.

9 2. ~~[Any person residing in this state who proceeds in good faith with the adoption of a  
10 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to  
11 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to  
12 taxes due under chapter 143; provided, however, that beginning on March 29, 2013, the tax  
13 credits shall only be allocated for the adoption of special needs children who are residents or  
14 wards of residents of this state at the time the adoption is initiated.]~~ Any business entity  
15 providing funds to an employee to enable that employee to proceed in good faith with the  
16 adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand  
17 dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under  
18 such business entity's state tax liability, except that only one ten thousand dollar credit is  
19 available for each special needs child that is adopted.

20 3. ~~[Individuals and]~~ Business entities may claim a tax credit for their total nonrecurring  
21 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the  
22 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty  
23 percent shall be allowed when the adoption is final. The total of these tax credits shall not  
24 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax  
25 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption  
26 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The  
27 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for  
28 nonrecurring adoption expenses shall not be more than two million dollars but may be increased  
29 by appropriation in any fiscal year beginning on or after July 1, 2004. For all fiscal years  
30 beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs  
31 children who are residents or wards of residents of this state at the time the adoption is initiated  
32 shall be filed between July first and April fifteenth of each fiscal year.

33 4. Notwithstanding any provision of law to the contrary, any individual or business entity  
34 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed  
35 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount  
36 sold.

135.337. A tax credit taken by a ~~[person or]~~ business entity under the provisions of  
2 sections 135.325 to 135.339 shall not be considered in determining the eligibility for, or the

3 amount of, any adoption subsidy to the child adopted, including a subsidy for nonrecurring  
4 adoption expenses, that is available under any federal, state, or local program.

135.341. 1. As used in this section, the following terms shall mean:

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate  
3 fund established under section 476.777, including an association based in this state, affiliated  
4 with a national association, organized to provide support to entities receiving funding from the  
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection  
7 2 of section 210.001;

8 (3) "Contribution", the amount of donation to a qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care  
10 for children whose age ranges from birth through seventeen years of age whose parents or  
11 guardian are experiencing an unexpected and unstable or serious condition that requires  
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted  
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of ~~the department of~~ revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under  
18 sections 143.191 to 143.265.

19 2. For all tax years beginning on or after January 1, 2013, **a corporation may claim a**  
20 tax credit ~~may be claimed~~ in an amount equal to up to fifty percent of a verified contribution  
21 to a qualified agency and shall be named the champion for children tax credit. The minimum  
22 amount of any tax credit issued shall not be less than fifty dollars and shall be applied to taxes  
23 due under chapter 143, excluding sections 143.191 to 143.265. A contribution verification shall  
24 be issued to the taxpayer by the agency receiving the contribution. Such contribution verification  
25 shall include the taxpayer's name, Social Security number, amount of tax credit, amount of  
26 contribution, the name and address of the agency receiving the credit, and the date the  
27 contribution was made. The tax credit provided under this subsection shall be initially filed for  
28 the year in which the verified contribution is made.

29 3. The cumulative amount of the tax credits redeemed shall not exceed one million  
30 dollars in any tax year. The amount available shall be equally divided among the three qualified  
31 agencies: CASA, child advocacy centers, or crisis care centers, to be used towards tax credits  
32 issued. In the event tax credits claimed under one agency do not total the allocated amount for  
33 that agency, the unused portion for that agency will be made available to the remaining agencies  
34 equally. In the event the total amount of tax credits claimed for any one agency exceeds the

35 amount available for that agency, the amount redeemed shall and will be apportioned equally to  
36 all eligible taxpayers claiming the credit under that agency.

37 4. Prior to December thirty-first of each year, each qualified agency shall apply to the  
38 department of social services in order to verify their qualified agency status. Upon a  
39 determination that the agency is eligible to be a qualified agency, the department of social  
40 services shall provide a letter of eligibility to such agency. No later than February first of each  
41 year, the department of social services shall provide a list of qualified agencies to the department  
42 of revenue. All tax credit applications to claim the champion for children tax credit shall be filed  
43 between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the  
44 champion for children tax credit by attaching a copy of the contribution verification provided by  
45 a qualified agency to such taxpayer's income tax return.

46 5. Any amount of tax credit which exceeds the tax due or which is applied for and  
47 otherwise eligible for issuance but not issued shall not be refunded but may be carried over to  
48 any subsequent [~~taxable~~] tax year, not to exceed a total of five years.

49 6. Tax credits may be assigned, transferred or sold.

50 7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due  
51 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer  
52 will not be held liable for any penalty or interest, provided the balance is paid, or approved  
53 payment arrangements have been made, within sixty days from the notice of denial.

54 (2) In the event the balance is not paid within sixty days from the notice of denial, the  
55 remaining balance shall be due and payable under the provisions of chapter 143.

56 8. The department may promulgate such rules or regulations as are necessary to  
57 administer the provisions of this section. Any rule or portion of a rule, as that term is defined  
58 in section 536.010, that is created under the authority delegated in this section shall become  
59 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
60 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
61 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
62 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
63 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid  
64 and void.

65 9. Pursuant to section 23.253, of the Missouri sunset act:

66 (1) The program authorized under this section shall be reauthorized as of March 29,  
67 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

68 (2) This section shall terminate on September first of the calendar year immediately  
69 following the calendar year in which the program authorized under this section is sunset; and

70 (3) The provisions of this subsection shall not be construed to limit or in any way impair  
 71 the department's ability to redeem tax credits authorized on or before the date the program  
 72 authorized under this section expires or a taxpayer's ability to redeem such credits.

73 10. Beginning on March 29, 2013, any verified contribution to a qualified agency made  
 74 on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

135.350. As used in this section, unless the context clearly requires otherwise, the  
 2 following words and phrases shall mean:

3 (1) "Commission", the Missouri housing development commission, or its successor  
 4 agency;

5 (2) "Director", director of ~~the department of~~ revenue;

6 (3) "Eligibility statement", a statement authorized and issued by the commission  
 7 certifying that a given project qualifies for the Missouri low-income housing tax credit. The  
 8 commission shall promulgate rules establishing criteria upon which the eligibility statements will  
 9 be issued. The eligibility statement shall specify the amount of the Missouri low-income housing  
 10 tax credit allowed. The commission shall only authorize the tax credits to qualified projects  
 11 which begin after June 18, 1991;

12 (4) "Federal low-income housing tax credit", the federal tax credit as provided in section  
 13 42 of the 1986 Internal Revenue Code, as amended;

14 (5) "Low-income project", a housing project which has restricted rents that do not exceed  
 15 thirty percent of median income for at least forty percent of its units occupied by persons of  
 16 families having incomes of sixty percent or less of the median income, or at least twenty percent  
 17 of the units occupied by persons or families having incomes of fifty percent or less of the median  
 18 income;

19 (6) "Median income", those incomes which are determined by the federal Department  
 20 of Housing and Urban Development guidelines and adjusted for family size;

21 (7) "Qualified Missouri project", a qualified low-income building as that term is defined  
 22 in section 42 of the 1986 Internal Revenue Code, as amended, which is located in Missouri;

23 (8) "Taxpayer", ~~person, firm or~~ a corporation subject to the state income tax imposed  
 24 by the provisions of chapter 143 ~~(c)~~, except withholding imposed by sections 143.191 to 143.265  
 25 ~~) or a corporation subject to the annual corporation franchise tax imposed by the provisions of~~  
 26 ~~chapter 147, or~~ ; an insurance company paying an annual tax on its gross premium receipts in  
 27 this state~~, or~~ ; other financial institution paying taxes to the state of Missouri or any political  
 28 subdivision of this state under the provisions of chapter 148~~;~~ ; or an express company which  
 29 pays an annual tax on its gross receipts in this state.

135.400. As used in sections 135.400 to 135.430, the following terms mean:

- 2 (1) "Certificate", a tax credit certificate issued by the department of economic  
3 development in accordance with sections 135.400 to 135.430;
- 4 (2) "Community bank", either a bank community development corporation or  
5 development bank, which are financial organizations which receive investments from  
6 commercial financial institutions regulated by the federal reserve, the office of the comptroller  
7 of the currency, the office of thrift supervision, or the Missouri division of finance. Community  
8 banks, in addition to their other privileges, shall be allowed to make loans to businesses or equity  
9 investments in businesses or in real estate provided that such transactions have associated public  
10 benefits;
- 11 (3) "Community development corporation", a not-for-profit corporation whose board of  
12 directors is composed of businesses, civic and community leaders, and whose primary purpose  
13 is to encourage and promote the industrial, economic, entrepreneurial, commercial, and civic  
14 development or redevelopment of a community or area, including the provision of housing and  
15 community development projects that benefit low-income individuals and communities;
- 16 (4) "Department", the Missouri department of economic development;
- 17 (5) "Director", the director of the department of economic development, or a person  
18 acting under the supervision of the director;
- 19 (6) "Investment", a transaction in which a Missouri small business or a community bank  
20 receives a monetary benefit from an investor pursuant to the provisions of sections 135.403 to  
21 135.414;
- 22 (7) "Investor", ~~[an individual, partnership,] a financial institution[, trust] or corporation~~  
23 ~~meeting the eligibility requirements of sections 135.403 to 135.414[- In the case of partnerships~~  
24 ~~and nontaxable trusts, the individual partners or beneficiaries shall be treated as the investors];~~
- 25 (8) "Missouri small business", an independently owned and operated business as defined  
26 in Title 15 U.S.C. Section 632(a) and as described by Title 13 CFR Part 121, which is  
27 headquartered in Missouri and which employs at least eighty percent of its employees in  
28 Missouri, except that no such small business shall employ more than one hundred employees.  
29 Such businesses must be involved in interstate or intrastate commerce for the purpose of  
30 manufacturing, processing or assembling products, conducting research and development, or  
31 providing services in interstate commerce, but excluding retail, real estate, insurance or  
32 professional services. For the purpose of qualifying for the tax credit pursuant to sections  
33 135.400 to 135.430, "Missouri small business" shall include cooperative marketing associations  
34 organized pursuant to chapter 274 which are engaged in the business of producing and marketing  
35 fuels derived from agriculture commodities, without regard for whether a cooperative marketing  
36 association has more than one hundred employees. Cooperative marketing associations



37 organized pursuant to chapter 274 shall not be required to comply with the requirements of  
38 section 135.414;

39 (9) "Primary employment", work which pays at least the minimum wage and which is  
40 not seasonal or part-time;

41 (10) "Principal owners", one or more persons who own an aggregate of fifty percent or  
42 more of the Missouri small business and who are involved in the operation of the business as a  
43 full-time professional activity;

44 (11) "Project", any commercial or industrial business or other economic development  
45 activity undertaken in a target area, designed to reduce conditions of blight, unemployment or  
46 widespread reliance on public assistance which creates permanent primary employment  
47 opportunities;

48 (12) "State tax liability", any liability incurred by a taxpayer pursuant to the provisions  
49 of chapter 143, chapter 147, chapter 148, section 375.916, and chapter 153, exclusive of the  
50 provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and  
51 related provisions;

52 (13) "Target area", a group of blocks or a self-defined neighborhood where the rate of  
53 poverty in the area is greater than twice the national poverty rate and as defined by the  
54 department of social services in conjunction with the department of economic development.  
55 Areas of the state satisfying the criteria of this subdivision may be designated as a "target area"  
56 following appropriate findings made and certified by the departments of economic development  
57 and social services. In making such findings, the departments of economic development and  
58 social services may use any commonly recognized records and statistical indices published or  
59 made available by any agency or instrumentality of the federal or state government. No area of  
60 the state shall be a target area until so certified by the department of social services and the  
61 revitalization plan submitted pursuant to section 208.335 has received approval.

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may  
2 be cited as the "Youth Opportunities and Violence Prevention Act".

3 2. As used in this section, the term "taxpayer" shall **only** include corporations as defined  
4 in section 143.441 or 143.471[~~;~~] **and** any charitable organization which is exempt from federal  
5 income tax and whose Missouri unrelated business taxable income, if any, would be subject to  
6 the state income tax imposed under chapter 143[~~;~~ and individuals, individual proprietorships and  
7 partnerships].

8 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to  
9 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147,  
10 chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and  
11 fifty percent for monetary contributions of the amount such taxpayer contributed to the programs

12 described in subsection 5 of this section, not to exceed two hundred thousand dollars per  
13 [taxable] tax year, per taxpayer; except as otherwise provided in subdivision (5) of subsection  
14 5 of this section. The department of economic development shall prescribe the method for  
15 claiming the tax credits allowed in this section. No rule or portion of a rule promulgated under  
16 the authority of this section shall become effective unless it has been promulgated pursuant to  
17 the provisions of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of  
18 no force and effect and repealed; however, nothing in this section shall be interpreted to repeal  
19 or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied  
20 with the provisions of chapter 536. The provisions of this section and chapter 536 are  
21 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,  
22 including the ability to review, to delay the effective date, or to disapprove and annul a rule or  
23 portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking  
24 authority and any rule so proposed and contained in the order of rulemaking shall be invalid and  
25 void.

26 4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the  
27 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax  
28 credit not used in such tax period may be carried over the next five succeeding tax periods.

29 5. The tax credit allowed by this section may only be claimed for monetary or property  
30 contributions to public or private programs authorized to participate pursuant to this section by  
31 the department of economic development and may be claimed for the development,  
32 establishment, implementation, operation, and expansion of the following activities and  
33 programs:

34 (1) An adopt-a-school program. Components of the adopt-a-school program shall  
35 include donations for school activities, seminars, and functions; school-business employment  
36 programs; and the donation of property and equipment of the corporation to the school;

37 (2) Expansion of programs to encourage school dropouts to reenter and complete high  
38 school or to complete a graduate equivalency degree program;

39 (3) Employment programs. Such programs shall initially, but not exclusively, target  
40 unemployed youth living in poverty and youth living in areas with a high incidence of crime;

41 (4) New or existing youth clubs or associations;

42 (5) Employment/internship/apprenticeship programs in business or trades for persons  
43 less than twenty years of age, in which case the tax credit claimed pursuant to this section shall  
44 be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that  
45 such credit shall not exceed ten thousand dollars per person;

46 (6) Mentor and role model programs;

47 (7) Drug and alcohol abuse prevention training programs for youth;

48 (8) Donation of property or equipment of the taxpayer to schools, including schools  
49 which primarily educate children who have been expelled from other schools, or donation of the  
50 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which  
51 offer programs dedicated to youth violence prevention as authorized by the department;

52 (9) Not-for-profit, private or public youth activity centers;

53 (10) Nonviolent conflict resolution and mediation programs;

54 (11) Youth outreach and counseling programs.

55 6. Any program authorized in subsection 5 of this section shall, at least annually, submit  
56 a report to the department of economic development outlining the purpose and objectives of such  
57 program, the number of youth served, the specific activities provided pursuant to such program,  
58 the duration of such program and recorded youth attendance where applicable.

59 7. The department of economic development shall, at least annually submit a report to  
60 the Missouri general assembly listing the organizations participating, services offered and the  
61 number of youth served as the result of the implementation of this section.

62 8. The tax credit allowed by this section shall apply to all ~~taxable~~ tax years beginning  
63 after December 31, 1995.

64 9. For the purposes of the credits described in this section, in the case of a corporation  
65 described in section 143.471, partnership, limited liability company described in section 347.015,  
66 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such  
67 credits shall be allowed to the following:

68 (1) The shareholders of the corporation described in section 143.471;

69 (2) The partners of the partnership;

70 (3) The members of the limited liability company; and

71 (4) Individual members of the cooperative or marketing enterprise.

72

73 Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this  
74 subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

135.478. As used in sections 135.481 to 135.487, the following terms mean:

2 (1) "Department", the department of economic development;

3 (2) "Director", the director of the department of economic development;

4 (3) "Distressed community", as defined in section 135.530;

5 (4) "Eligible costs for a new residence", expenses incurred for property acquisition,  
6 development, site preparation other than demolition, surveys, architectural and engineering  
7 services and construction and all other necessary and incidental expenses incurred for  
8 constructing a new market rate residence, which is or will be owner-occupied, which is not  
9 replacing a national register listed or local historic structure; except that, costs paid for by the

10 taxpayer with grants or forgivable loans, other than tax credits, provided pursuant to state or  
11 federal governmental programs are ineligible;

12 (5) "Eligible costs for rehabilitation", expenses incurred for the renovation or  
13 rehabilitation of an existing residence including site preparation, surveys, architectural and  
14 engineering services, construction, modification, expansion, remodeling, structural alteration,  
15 replacements and alterations; except that, costs paid for by the taxpayer with grants or forgivable  
16 loans other than tax credits provided pursuant to state or federal governmental programs are  
17 ineligible;

18 (6) "Eligible residence", a single-family residence forty years of age or older, located in  
19 this state and not within a distressed community as defined by section 135.530, which is  
20 occupied or intended to be or occupied long-term by the owner or offered for sale at market rate  
21 for owner-occupancy and which is either located within a United States census block group  
22 which, if in a metropolitan statistical area, has a median household income of less than ninety  
23 percent, but greater than or equal to seventy percent of the median household income for the  
24 metropolitan statistical area in which the census block group is located, or which, if located  
25 within a United States census block group in a nonmetropolitan area, has a median household  
26 income of less than ninety percent, but greater than or equal to seventy percent of the median  
27 household income for the nonmetropolitan areas in the state;

28 (7) "Flood plain", any land or area susceptible to being inundated by water from any  
29 source or located in a one hundred-year flood plain area determined by Federal Emergency  
30 Management Agency mapping as subject to flooding;

31 (8) "New residence", a residence constructed on land which if located within a distressed  
32 community has either been vacant for at least two years or is or was occupied by a structure  
33 which has been condemned by the local entity in which the structure is located or which, if  
34 located outside of a distressed community but within a census block group as described in  
35 subdivision (6) or (10) of this section, either replaces a residence forty years of age or older  
36 demolished for purposes of constructing a replacement residence, or which is constructed on  
37 vacant property which has been classified for not less than forty continuous years as residential  
38 or utility, commercial, railroad or other real property pursuant to Article X, Section 4(b) of the  
39 Missouri Constitution, as defined in section 137.016; except that, no new residence shall be  
40 constructed in a flood plain or on property used for agricultural purposes. In a distressed  
41 community, the term "new residence" shall include condominiums, owner-occupied units or  
42 other units intended to be owner-occupied in multiple unit structures;

43 (9) "Project", new construction, rehabilitation or substantial rehabilitation of a residence  
44 that qualifies for a tax credit pursuant to sections 135.475 to 135.487;

45 (10) "Qualifying residence", a single-family residence, forty years of age or older, located  
46 in this state which is occupied or intended to be occupied long-term by the owner or offered for  
47 sale at market rate for owner-occupancy and which is located in a metropolitan statistical area  
48 or nonmetropolitan statistical area within a United States census block group which has a median  
49 household income of less than seventy percent of the median household income for the  
50 metropolitan statistical area or nonmetropolitan area, respectively, or which is located within a  
51 distressed community. A qualifying residence shall include a condominium or residence within  
52 a multiple residential structure or a structure containing multiple single-family residences which  
53 is located within a distressed community;

54 (11) "Substantial rehabilitation", rehabilitation the costs of which exceed fifty percent  
55 of either the purchase price or the cost basis of the structure immediately prior to rehabilitation;  
56 provided that, the structure is at least fifty years old notwithstanding any provision of sections  
57 135.475 to 135.487 to the contrary;

58 (12) "Tax liability", the tax due pursuant to chapter 143, 147 or 148, other than taxes  
59 withheld pursuant to sections 143.191 to 143.265;

60 (13) "Taxpayer", any ~~[person, partnership,]~~ corporation, trust, ~~[limited liability~~  
61 ~~company,]~~ or ~~[any]~~ charitable organization ~~[which]~~ **that** is exempt from federal income tax and  
62 whose Missouri unrelated business taxable income, if any, would be subject to the state income  
63 tax imposed under chapter 143.

135.490. 1. In order to encourage and foster community improvement, an eligible small  
2 business, as defined in Section 44 of the Internal Revenue Code, **that is a corporation** shall be  
3 allowed a credit not to exceed five thousand dollars against the tax otherwise due pursuant to  
4 chapter 143, not including sections 143.191 to 143.265, in an amount equal to fifty percent of  
5 all eligible access expenditures exceeding the monetary cap provided by Section 44 of the  
6 Internal Revenue Code. For purposes of this section, "eligible access expenditures" means  
7 amounts paid or incurred by the taxpayer in order to comply with applicable access requirements  
8 provided by the Americans With Disabilities Act of 1990, as further defined in Section 44 of the  
9 Internal Revenue Code and federal rulings interpreting Section 44 of the Internal Revenue Code.

10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such  
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over  
12 to any subsequent ~~[taxable]~~ **tax** year, but shall not be refunded and shall not be transferable.

13 3. The director of the department of economic development and the director of ~~[the~~  
14 ~~department of]~~ revenue shall jointly administer the tax credit authorized by this section. Both  
15 the director of the department of economic development and the director of ~~[the department of]~~  
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions

17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section  
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

19 4. The provisions of this section shall become effective on January 1, 2000, and shall  
20 apply to all ~~[taxable]~~ **tax** years beginning after December 31, 1999.

135.535. 1. A corporation ~~[, limited liability corporation, partnership or sole~~  
2 ~~proprietorship, which] that~~ moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community ~~[,] or [which] that~~ commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of  
5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld  
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved  
12 by the department of economic development, which shall issue a certificate of eligibility if the  
13 department determines that the taxpayer is eligible for such credit. The maximum amount of  
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five  
15 thousand dollars for each of the three years for which the credit is claimed. The department of  
16 economic development, by means of rule or regulation promulgated pursuant to the provisions  
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers  
18 to the companies which are eligible for the tax credits provided for in this section. Such  
19 three-year credits shall be awarded only one time to any company which moves its operations  
20 from outside of Missouri or outside of a distressed community into a distressed community or  
21 to a company which commences operations within a distressed community. A taxpayer shall file  
22 an application for certification of the tax credits for the first year in which credits are claimed and  
23 for each of the two succeeding ~~[taxable]~~ **tax** years for which credits are claimed.

24 2. ~~[Employees of such facilities physically working and earning wages for that work~~  
25 ~~within a distressed community whose employers have been approved for tax credits pursuant to~~  
26 ~~subsection 1 of this section by the department of economic development for whom payroll taxes~~  
27 ~~are paid shall also be eligible to receive a tax credit against individual income tax, imposed~~  
28 ~~pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such~~  
29 ~~facility earned for each of the three years that the facility receives the tax credit provided by this~~  
30 ~~section, so long as they were qualified employees of such entity. The employer shall calculate~~  
31 ~~the amount of such credit and shall report the amount to the employee and the department of~~  
32 ~~revenue.~~

33 ———3.] A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other  
34 than the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against  
35 income taxes as provided in subsection 1 of this section, may be taken by such an entity in a  
36 distressed community in an amount of forty percent of the amount of funds expended for  
37 computer equipment and its maintenance, medical laboratories and equipment, research  
38 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed  
39 telecommunications, wiring or software development expense up to a maximum of seventy-five  
40 thousand dollars in tax credits for such equipment or expense per year per entity and for each of  
41 three years after commencement in or moving operations into a distressed community.

42 [4.] 3. A corporation~~[, partnership or sole partnership, which]~~ that has no more than one  
43 hundred employees for whom payroll taxes are paid, which is already located in a distressed  
44 community and which expends funds for such equipment pursuant to subsection 3 of this section  
45 in an amount exceeding its average of the prior two years for such equipment, shall be eligible  
46 to receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an  
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds  
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this  
49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years  
50 and carried forward to any of the next five tax years.

51 [5.] 4. An existing corporation~~[, partnership or sole proprietorship]~~ that is located within  
52 a distressed community and that relocates employees from another facility outside of the  
53 distressed community to its facility within the distressed community, and an existing business  
54 located within a distressed community that hires new employees for that facility may both be  
55 eligible for the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such  
56 tax credits, such a business, during one of its tax years, shall employ within a distressed  
57 community at least twice as many employees as were employed at the beginning of that tax year.  
58 A business hiring employees shall have no more than one hundred employees before the addition  
59 of the new employees. This subsection shall only apply to a business which is a manufacturing,  
60 biomedical, medical devices, scientific research, animal research, computer software design or  
61 development, computer programming or telecommunications business, or a professional firm.

62 [6.] 5. Tax credits shall be approved for applicants meeting the requirements of this  
63 section in the order that such applications are received. Certificates of tax credits issued in  
64 accordance with this section may be transferred, sold or assigned by notarized endorsement  
65 which names the transferee.

66 [7.] 6. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section  
67 shall be for an amount of no more than ten million dollars for each year beginning in 1999. The  
68 total maximum credit for all entities already located in distressed communities and claiming

69 credits pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars.  
70 The department of economic development in approving taxpayers for the credit as provided for  
71 in subsection ~~[6]~~ **5** of this section shall use information provided by the department of revenue  
72 regarding taxes paid in the previous year, or projected taxes for those entities newly established  
73 in the state, as the method of determining when this maximum will be reached and shall maintain  
74 a record of the order of approval. Any tax credit not used in the period for which the credit was  
75 approved may be carried over until the full credit has been allowed.

76 ~~[8. A Missouri employer relocating into a distressed community and having employees~~  
77 ~~covered by a collective bargaining agreement at the facility from which it is relocating shall not~~  
78 ~~be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be~~  
79 ~~eligible for the credit in subsection 2 of this section if the relocation violates or terminates a~~  
80 ~~collective bargaining agreement covering employees at the facility, unless the affected collective~~  
81 ~~bargaining unit concurs with the move.~~

82 ~~—————9.]~~ **7.** Notwithstanding any provision of law to the contrary, no taxpayer shall earn the  
83 tax credits allowed in this section and the tax credits otherwise allowed in section 135.110, or  
84 the tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225  
85 and 135.245, respectively, for the same business for the same tax period.

135.545. A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143, 147  
2 or 148 in an amount equal to fifty percent of a qualified investment in transportation  
3 development for aviation, mass transportation, including parking facilities for users of mass  
4 transportation, railroads, ports, including parking facilities and limited access roads within ports,  
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed  
6 community as defined in section 135.530, and which are part of a development plan approved  
7 by the appropriate local agency. If the department of economic development determines the  
8 investment has been so approved, the department shall grant the tax credit in order of date  
9 received. A taxpayer may carry forward any unused tax credit for up to ten years and may carry  
10 it back for the previous three years until such credit has been fully claimed. Certificates of tax  
11 credit issued in accordance with this section may be transferred, sold or assigned by notarized  
12 endorsement which names the transferee. The tax credits allowed pursuant to this section shall  
13 be for an amount of no more than ten million dollars for each year. This credit shall apply to  
14 returns filed for all ~~[taxable]~~ **tax** years beginning on or after January 1, 1999. Any unused  
15 portion of the tax credit authorized pursuant to this section shall be available for use in the future  
16 by those entities until fully claimed. For purposes of this section, a "taxpayer" **shall only**  
17 **include a corporation, insurance company, or express company and** shall include any  
18 charitable organization that is exempt from federal income tax and whose Missouri unrelated



19 business taxable income, if any, would be subject to the state income tax imposed under chapter  
20 143.

135.550. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or  
3 real property;

4 (2) "Shelter for victims of domestic violence", a facility located in this state which meets  
5 the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which  
6 meets the requirements of section 455.220;

7 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such  
8 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,  
9 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191  
10 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred  
11 by such taxpayer pursuant to the provisions of chapter 143;

12 (4) "Taxpayer", a ~~[person, firm, a partner in a firm,]~~ corporation ~~[or a shareholder in an~~  
13 ~~S-corporation]~~ doing business in the state of Missouri and subject to the state income tax  
14 imposed by the provisions of chapter 143 ~~[- or a corporation subject to the annual corporation~~  
15 ~~franchise tax imposed by the provisions of chapter 147]~~, including any charitable organization  
16 ~~[which]~~ **that** is exempt from federal income tax and whose Missouri unrelated business taxable  
17 income, if any, would be subject to the state income tax imposed under chapter 143, or an  
18 insurance company paying an annual tax on its gross premium receipts in this state, or other  
19 financial institution paying taxes to the state of Missouri or any political subdivision of this state  
20 pursuant to the provisions of chapter 148, or an express company which pays an annual tax on  
21 its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income  
22 tax imposed by the provisions of chapter 143.

23 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter  
25 for victims of domestic violence.

26 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
27 state tax liability for the ~~[taxable]~~ **tax** year that the credit is claimed, and such taxpayer shall not  
28 be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ **tax** year.  
29 However, any tax credit that cannot be claimed in the ~~[taxable]~~ **tax** year the contribution was  
30 made may be carried over to the next four succeeding ~~[taxable]~~ **tax** years until the full credit has  
31 been claimed.

32 4. Except for any excess credit which is carried over pursuant to subsection 3 of this  
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such

34 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence  
35 in such taxpayer's [~~taxable~~] tax year has a value of at least one hundred dollars.

36 5. The director of the department of social services shall determine, at least annually,  
37 which facilities in this state may be classified as shelters for victims of domestic violence. The  
38 director of the department of social services may require of a facility seeking to be classified as  
39 a shelter for victims of domestic violence whatever information is reasonably necessary to make  
40 such a determination. The director of the department of social services shall classify a facility  
41 as a shelter for victims of domestic violence if such facility meets the definition set forth in  
42 subsection 1 of this section.

43 6. The director of the department of social services shall establish a procedure by which  
44 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic  
45 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic  
46 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to  
47 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be  
48 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one  
49 fiscal year shall not exceed two million dollars.

50 7. The director of the department of social services shall establish a procedure by which,  
51 from the beginning of the fiscal year until some point in time later in the fiscal year to be  
52 determined by the director of the department of social services, the cumulative amount of tax  
53 credits are equally apportioned among all facilities classified as shelters for victims of domestic  
54 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be  
55 determined by the director of the department of social services, of its apportioned tax credits  
56 during this predetermined period of time, the director of the department of social services may  
57 reapportion these unused tax credits to those shelters for victims of domestic violence that have  
58 used all, or some percentage to be determined by the director of the department of social  
59 services, of their apportioned tax credits during this predetermined period of time. The director  
60 of the department of social services may establish more than one period of time and reapportion  
61 more than once during each fiscal year. To the maximum extent possible, the director of the  
62 department of social services shall establish the procedure described in this subsection in such  
63 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative  
64 amount of tax credits available for the fiscal year.

65 8. This section shall become effective January 1, 2000, and shall apply to all tax years  
66 after December 31, 1999.

135.600. 1. As used in this section, the following terms shall mean:

- 2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or  
3 real property;

4 (2) "Maternity home", a residential facility located in this state established for the  
5 purpose of providing housing and assistance to pregnant women who are carrying their  
6 pregnancies to term, and which is exempt from income taxation under the United States Internal  
7 Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such  
9 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,  
10 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191  
11 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability  
12 incurred by such taxpayer pursuant to the provisions of chapter 143;

13 (4) "Taxpayer", a ~~[person, firm, a partner in a firm,]~~ corporation ~~[or a shareholder in an~~  
14 ~~S-corporation]~~ doing business in the state of Missouri and subject to the state income tax  
15 imposed by the provisions of chapter 143, including any charitable organization which is exempt  
16 from federal income tax and whose Missouri unrelated business taxable income, if any, would  
17 be subject to the state income tax imposed under chapter 143, ~~[or a corporation subject to the~~  
18 ~~annual corporation franchise tax imposed by the provisions of chapter 147,]~~ or an insurance  
19 company paying an annual tax on its gross premium receipts in this state, or other financial  
20 institution paying taxes to the state of Missouri or any political subdivision of this state pursuant  
21 to the provisions of chapter 148, or an express company which pays an annual tax on its gross  
22 receipts in this state pursuant to chapter 153~~], or an individual subject to the state income tax~~  
23 ~~imposed by the provisions of chapter 143].~~

24 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
25 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a  
26 maternity home.

27 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
28 state tax liability for the ~~[taxable]~~ tax year that the credit is claimed, and such taxpayer shall not  
29 be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ tax year.  
30 However, any tax credit that cannot be claimed in the ~~[taxable]~~ tax year the contribution was  
31 made may be carried over to the next four succeeding ~~[taxable]~~ tax years until the full credit has  
32 been claimed.

33 4. Except for any excess credit which is carried over pursuant to subsection 3 of this  
34 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such  
35 taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's  
36 ~~[taxable]~~ tax year has a value of at least one hundred dollars.

37 5. The director of the department of social services shall determine, at least annually,  
38 which facilities in this state may be classified as maternity homes. The director of the  
39 department of social services may require of a facility seeking to be classified as a maternity

40 home whatever information is reasonably necessary to make such a determination. The director  
41 of the department of social services shall classify a facility as a maternity home if such facility  
42 meets the definition set forth in subsection 1 of this section.

43         6. The director of the department of social services shall establish a procedure by which  
44 a taxpayer can determine if a facility has been classified as a maternity home, and by which such  
45 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes  
46 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax  
47 credits which may be claimed by all the taxpayers contributing to maternity homes in any one  
48 fiscal year shall not exceed two million dollars for all fiscal years ending on or before June 30,  
49 2014, and two million five hundred thousand dollars for all fiscal years beginning on or after July  
50 1, 2014.

51         7. The director of the department of social services shall establish a procedure by which,  
52 from the beginning of the fiscal year until some point in time later in the fiscal year to be  
53 determined by the director of the department of social services, the cumulative amount of tax  
54 credits are equally apportioned among all facilities classified as maternity homes. If a maternity  
55 home fails to use all, or some percentage to be determined by the director of the department of  
56 social services, of its apportioned tax credits during this predetermined period of time, the  
57 director of the department of social services may reapportion these unused tax credits to those  
58 maternity homes that have used all, or some percentage to be determined by the director of the  
59 department of social services, of their apportioned tax credits during this predetermined period  
60 of time. The director of the department of social services may establish more than one period  
61 of time and reapportion more than once during each fiscal year. To the maximum extent  
62 possible, the director of the department of social services shall establish the procedure described  
63 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits  
64 possible up to the cumulative amount of tax credits available for the fiscal year.

65         8. This section shall become effective January 1, 2000, and shall apply to all tax years  
66 after December 31, 1999. No tax credits shall be issued under this section after June 30, 2020.

135.630. 1. As used in this section, the following terms mean:

2         (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or  
3 real property;

4         (2) "Director", the director of the department of social services;

5         (3) "Pregnancy resource center", a nonresidential facility located in this state:

6         (a) Established and operating primarily to provide assistance to women with crisis  
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and  
8 material support, and other similar services to encourage and assist such women in carrying their  
9 pregnancies to term; and

- 10 (b) Where childbirths are not performed; and
- 11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself  
12 out as performing, inducing, or referring for abortions; and
- 13 (d) Which provides direct client services at the facility, as opposed to merely providing  
14 counseling or referral services by telephone; and
- 15 (e) Which provides its services at no cost to its clients; and
- 16 (f) When providing medical services, such medical services must be performed in  
17 accordance with Missouri statute; and
- 18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of  
19 1986, as amended;
- 20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such  
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections  
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability  
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191  
24 to 143.265 and related provisions;
- 25 (5) "Taxpayer", a ~~[person, firm, a partner in a firm,]~~ corporation~~[, or a shareholder in an~~  
26 ~~S-corporation]~~ doing business in the state of Missouri and subject to the state income tax  
27 imposed by the provisions of chapter 143, ~~[or a corporation subject to the annual corporation~~  
28 ~~franchise tax imposed by the provisions of chapter 147,]~~ or an insurance company paying an  
29 annual tax on its gross premium receipts in this state, or other financial institution paying taxes  
30 to the state of Missouri or any political subdivision of this state pursuant to the provisions of  
31 chapter 148, or an express company which pays an annual tax on its gross receipts in this state  
32 pursuant to chapter 153, ~~[or an individual subject to the state income tax imposed by the~~  
33 ~~provisions of chapter 143,]~~ or any charitable organization which is exempt from federal income  
34 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state  
35 income tax imposed under chapter 143.
- 36 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy resource center  
37 made on or after January 1, 2013, shall be eligible for tax credits as provided by this section.
- 38 (2) For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed  
39 to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent  
40 of the amount such taxpayer contributed to a pregnancy resource center.
- 41 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
42 state tax liability for the ~~[taxable]~~ tax year for which the credit is claimed, and such taxpayer  
43 shall not be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ tax  
44 year. However, any tax credit that cannot be claimed in the ~~[taxable]~~ tax year the contribution

45 was made may be carried over to the next four succeeding [taxable] tax years until the full credit  
46 has been claimed.

47 4. Except for any excess credit which is carried over pursuant to subsection 3 of this  
48 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such  
49 taxpayer's contribution or contributions to a pregnancy resource center or centers in such  
50 taxpayer's [taxable] tax year has a value of at least one hundred dollars.

51 5. The director shall determine, at least annually, which facilities in this state may be  
52 classified as pregnancy resource centers. The director may require of a facility seeking to be  
53 classified as a pregnancy resource center whatever information which is reasonably necessary  
54 to make such a determination. The director shall classify a facility as a pregnancy resource  
55 center if such facility meets the definition set forth in subsection 1 of this section.

56 6. The director shall establish a procedure by which a taxpayer can determine if a facility  
57 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted  
58 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be  
59 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year  
60 shall not exceed two million dollars for all fiscal years ending on or before June 30, 2014, and  
61 two million five hundred thousand dollars for all fiscal years beginning on or after July 1, 2014.  
62 Tax credits shall be issued in the order contributions are received.

63 7. The director shall establish a procedure by which, from the beginning of the fiscal year  
64 until some point in time later in the fiscal year to be determined by the director, the cumulative  
65 amount of tax credits are equally apportioned among all facilities classified as pregnancy  
66 resource centers. If a pregnancy resource center fails to use all, or some percentage to be  
67 determined by the director, of its apportioned tax credits during this predetermined period of  
68 time, the director may reapportion these unused tax credits to those pregnancy resource centers  
69 that have used all, or some percentage to be determined by the director, of their apportioned tax  
70 credits during this predetermined period of time. The director may establish more than one  
71 period of time and reapportion more than once during each fiscal year. To the maximum extent  
72 possible, the director shall establish the procedure described in this subsection in such a manner  
73 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of  
74 tax credits available for the fiscal year.

75 8. Each pregnancy resource center shall provide information to the director concerning  
76 the identity of each taxpayer making a contribution to the pregnancy resource center who is  
77 claiming a tax credit pursuant to this section and the amount of the contribution. The director  
78 shall provide the information to the director of revenue. The director shall be subject to the  
79 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax  
80 information.

81 9. Pursuant to section 23.253 of the Missouri sunset act:

82 (1) The program authorized under this section shall be reauthorized as of March 29,  
83 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

84 (2) This section shall terminate on September first of the calendar year immediately  
85 following the calendar year in which a program authorized under this section is sunset; and

86 (3) The provisions of this subsection shall not be construed to limit or in any way impair  
87 the department's ability to issue tax credits authorized on or before the date the program  
88 authorized under this section expires or a taxpayer's ability to redeem such tax credits.

135.647. 1. As used in this section, the following terms shall mean:

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,  
4 as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people who would  
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax  
7 credit under this section resides;

8 (2) "Taxpayer", ~~[an individual, a firm, a partner in a firm,]~~ a corporation~~[, or a~~  
9 ~~shareholder in an S corporation]~~ doing business in this state and subject to the state income tax  
10 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

11 2. (1) Beginning on March 29, 2013, any donation of cash or food made on or after  
12 January 1, 2013, shall be eligible for tax credits as provided by this section.

13 (2) For all tax years beginning on or after January 1, 2007, any taxpayer who donates  
14 cash or food, unless such food is donated after the food's expiration date, to any local food pantry  
15 shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding  
16 tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of  
17 the donations made to the extent such amounts that have been subtracted from federal adjusted  
18 gross income or federal taxable income are added back in the determination of Missouri adjusted  
19 gross income or Missouri taxable income before the credit can be claimed. Each taxpayer  
20 claiming a tax credit under this section shall file an affidavit with the income tax return verifying  
21 the amount of their contributions. The amount of the tax credit claimed shall not exceed the  
22 amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not  
23 exceed two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit  
24 that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable,  
25 but may be carried forward to any of the taxpayer's three subsequent ~~[taxable]~~ tax years. No tax  
26 credit granted under this section shall be transferred, sold, or assigned. No taxpayer shall be  
27 eligible to receive a credit pursuant to this section if such taxpayer employs persons who are not  
28 authorized to work in the United States under federal law.

29           3. The cumulative amount of tax credits under this section which may be allocated to all  
30 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed one million  
31 seven hundred fifty thousand dollars. The director of revenue shall establish a procedure by  
32 which the cumulative amount of tax credits is apportioned among all taxpayers claiming the  
33 credit by April fifteenth of the fiscal year in which the tax credit is claimed. To the maximum  
34 extent possible, the director of revenue shall establish the procedure described in this subsection  
35 in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the  
36 cumulative amount of tax credits available for the fiscal year.

37           4. Any local food pantry may accept or reject any donation of food made under this  
38 section for any reason. For purposes of this section, any donations of food accepted by a local  
39 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the  
40 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

41           5. The department of revenue shall promulgate rules to implement the provisions of this  
42 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
43 under the authority delegated in this section shall become effective only if it complies with and  
44 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
45 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
46 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule  
47 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
48 proposed or adopted after August 28, 2007, shall be invalid and void.

49           6. Under section 23.253 of the Missouri sunset act:

50           (1) The program authorized under this section shall be reauthorized as of March 29,  
51 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

52           (2) This section shall terminate on September first of the calendar year immediately  
53 following the calendar year in which the program authorized under this section is sunset; and

54           (3) The provisions of this subsection shall not be construed to limit or in any way impair  
55 the department's ability to redeem tax credits authorized on or before the date the program  
56 authorized under this section expires or a taxpayer's ability to redeem such tax credits.

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax  
2 Credit Act".

3           2. As used in this section, the following terms mean:

4           (1) "Agricultural property", any real and personal property, including but not limited to  
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in  
6 this state by residents of this state for:

7           (a) The operation of a farm or ranch; and

8           (b) Grazing, feeding, or the care of livestock;



9 (2) “Authority”, the agricultural and small business development authority established  
10 in chapter 348;

11 (3) “Backgrounded”, any additional weight at the time of the first qualifying sale, before  
12 being finished, above the established baseline weight;

13 (4) “Baseline weight”, the average weight in the immediate past two years of all beef  
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for  
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a  
16 resident of this state shall be established by the average transfer weight in the immediate past two  
17 years of all beef animals that are thirty months of age or younger and that are transferred  
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The  
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a  
20 qualifying beef animal producer with fewer than two years of production, the baseline weight  
21 shall be established by the available average weight in the immediate past year of all beef  
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef  
23 animal producer has no previous production, the baseline weight shall be established by the  
24 authority;

25 (5) “Finished”, the period from backgrounded to harvest;

26 (6) “Qualifying beef animal”, any beef animal that is certified by the authority, that was  
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this state  
28 by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified  
29 written birth records;

30 (7) “Qualifying sale”, the first time a qualifying beef animal is sold in this state after the  
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying  
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef  
33 animal at the time of the first qualifying sale of such beef animal;

34 (8) “Tax credit”, a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (9) “Taxpayer”, any ~~individual or entity who~~ **corporation that:**

37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by  
38 sections 143.191 to 143.265~~], or the tax imposed in chapter 147;~~

39 ~~——(b) In the case of an individual, is a resident of this state as verified by a 911 address or~~  
40 ~~in the absence of a 911 system, a physical address]; and~~

41 ~~[(e)]~~ (b) Owns or rents agricultural property and principal place of business is located  
42 in this state.

43           3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before  
44 December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for  
45 a subsequent qualifying sale of all qualifying beef animals.

46           (2) The tax credit amount for the first qualifying sale shall be ten cents per pound for  
47 qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying  
48 sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all  
49 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:

50           (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
51 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
52 to or greater than one hundred pounds above the baseline weight; or

53           (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
54 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
55 weight is equal to or greater than one hundred pounds above the baseline weight.

56           (3) The tax credit amount for each subsequent qualifying sale shall be ten cents per  
57 pound for qualifying sale weights under six hundred pounds and twenty-five cents per pound for  
58 qualifying sale weights of six hundred pounds or greater, shall be based on the backgrounded  
59 weight of all qualifying beef animals at the time of the subsequent qualifying sale, and shall be  
60 calculated as follows:

61           (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
62 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
63 to or greater than one hundred pounds above the baseline weight; or

64           (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
65 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
66 weight is equal to or greater than one hundred pounds above the baseline weight.

67

68 The authority may waive no more than twenty-five percent of the one-hundred-pound weight  
69 gain requirement, but any such waiver shall be based on a disaster declaration issued by the U.S.  
70 Department of Agriculture.

71           4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
72 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under  
73 this section shall be refundable. The tax credit shall be claimed in the tax year in which the  
74 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is  
75 prohibited by this section from claiming in a tax year may be carried forward to any of the  
76 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may  
77 claim shall not exceed fifteen thousand dollars per year. No taxpayer shall be allowed to claim  
78 tax credits under this section for more than three years. The amount of tax credits that may be

79 issued to all eligible applicants claiming tax credits authorized in this section and section  
80 135.686 in a calendar year shall not exceed two million dollars. Tax credits shall be issued on  
81 an as-received application basis until the calendar year limit is reached. Any credits not issued  
82 in any calendar year shall expire and shall not be issued in any subsequent years.

83 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
84 authority an application for the tax credit on a form provided by the authority and any application  
85 fee imposed by the authority. The application shall be filed with the authority at the end of each  
86 calendar year in which a qualified sale was made and for which a tax credit is claimed under this  
87 section. The application shall include any certified documentation and information required by  
88 the authority. All required information obtained by the authority shall be confidential and not  
89 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and  
90 the qualified sale meet all criteria required by this section and approval is granted by the  
91 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit  
92 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,  
93 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the  
94 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise  
95 conveyed, a notarized endorsement shall be filed with the authority specifying the name and  
96 address of the new owner of the tax credit certificate or the value of the tax credit.

97 6. Any information provided under this section shall be confidential information, to be  
98 shared with no one except state and federal animal health officials, except as provided in  
99 subsection 5 of this section.

100 7. The authority shall, at least annually, submit a report to the Missouri general assembly  
101 reviewing the costs and benefits of the program established under this section.

102 8. The authority may promulgate rules to implement the provisions of this section. Any  
103 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
104 authority delegated in this section shall become effective only if it complies with and is subject  
105 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
106 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
107 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
108 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
109 or adopted after August 28, 2007, shall be invalid and void.

110 9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.  
135.680. 1. As used in this section, the following terms shall mean:

2 (1) "Adjusted purchase price", the product of:

3 (a) The amount paid to the issuer of a qualified equity investment for such qualified  
4 equity investment; and

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income community  
7 investments held by the issuer in this state as of the credit allowance date during the applicable  
8 tax year; and

9 b. The denominator shall be the total dollar amount of qualified low-income community  
10 investments held by the issuer in all states as of the credit allowance date during the applicable  
11 tax year;

12 c. For purposes of calculating the amount of qualified low-income community  
13 investments held by an issuer, an investment shall be considered held by an issuer even if the  
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the  
15 capital returned to or recovered by the issuer from the original investment, exclusive of any  
16 profits realized, in another qualified low-income community investment within twelve months  
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from  
18 qualified low-income community investments after the sixth anniversary of the issuance of the  
19 qualified equity investment, the proceeds of which were used to make the qualified low-income  
20 community investment, and the qualified low-income community investment shall be considered  
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;

22 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,  
23 seven percent for the third credit allowance date, and eight percent for the next four credit  
24 allowance dates;

25 (3) "Credit allowance date", with respect to any qualified equity investment:

26 (a) The date on which such investment is initially made; and

27 (b) Each of the six anniversary dates of such date thereafter;

28 (4) "Long-term debt security", any debt instrument issued by a qualified community  
29 development entity, at par value or a premium, with an original maturity date of at least seven  
30 years from the date of its issuance, with no acceleration of repayment, amortization, or  
31 prepayment features prior to its original maturity date, and with no distribution, payment, or  
32 interest features related to the profitability of the qualified community development entity or the  
33 performance of the qualified community development entity's investment portfolio. The  
34 foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument  
35 in situations where the issuer has defaulted on covenants designed to ensure compliance with this  
36 section or Section 45D of the Internal Revenue Code of 1986, as amended;

37 (5) "Qualified active low-income community business", the meaning given such term  
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business  
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or

40 sale of real estate shall not be considered to be a qualified active low-income community  
41 business;

42 (6) "Qualified community development entity", the meaning given such term in Section  
43 45D of the Internal Revenue Code of 1986, as amended; provided that such entity has entered  
44 into an allocation agreement with the Community Development Financial Institutions Fund of  
45 the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal  
46 Revenue Code of 1986, as amended, which includes the state of Missouri within the service area  
47 set forth in such allocation agreement;

48 (7) "Qualified equity investment", any equity investment in, or long-term debt security  
49 issued by, a qualified community development entity that:

50 (a) Is acquired after September 4, 2007, at its original issuance solely in exchange for  
51 cash;

52 (b) Has at least eighty-five percent of its cash purchase price used by the issuer to make  
53 qualified low-income community investments; and

54 (c) Is designated by the issuer as a qualified equity investment under this subdivision and  
55 is certified by the department of economic development as not exceeding the limitation contained  
56 in subsection 2 of this section. This term shall include any qualified equity investment that does  
57 not meet the provisions of paragraph (a) of this subdivision if such investment was a qualified  
58 equity investment in the hands of a prior holder;

59 (8) "Qualified low-income community investment", any capital or equity investment in,  
60 or loan to, any qualified active low-income community business. With respect to any one  
61 qualified active low-income community business, the maximum amount of qualified low-income  
62 community investments made in such business, on a collective basis with all of its affiliates, that  
63 may be used from the calculation of any numerator described in subparagraph a. of paragraph  
64 (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or  
65 several qualified community development entities;

66 (9) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
67 withholding tax imposed in sections 143.191 to 143.265, or otherwise due under section 375.916  
68 or chapter 147, 148, or 153;

69 (10) "Taxpayer", any ~~individual or entity~~ **corporation** subject to the tax imposed in  
70 chapter 143, excluding withholding tax imposed in sections 143.191 to 143.265, or the tax  
71 imposed in section 375.916 or chapter ~~147;~~ 148~~;~~ or 153.

72 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits  
73 under this section. On each credit allowance date of such qualified equity investment the  
74 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit  
75 during the ~~taxable~~ **tax** year including such credit allowance date. The tax credit amount shall

76 be equal to the applicable percentage of the adjusted purchase price paid to the issuer of such  
77 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount  
78 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax  
79 credit claimed under this section shall be refundable or transferable. Tax credits earned by a  
80 partnership, limited liability company, S-corporation, or other pass-through entity may be  
81 allocated to the partners, members, or shareholders of such entity for their direct use in  
82 accordance with the provisions of any agreement among such partners, members, or  
83 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from  
84 claiming in a ~~taxable~~ tax year may be carried forward to any of the taxpayer's five subsequent  
85 ~~taxable~~ tax years. The department of economic development shall limit the monetary amount  
86 of qualified equity investments permitted under this section to a level necessary to limit tax credit  
87 utilization at no more than twenty-five million dollars of tax credits in any fiscal year. Such  
88 limitation on qualified equity investments shall be based on the anticipated utilization of credits  
89 without regard to the potential for taxpayers to carry forward tax credits to later tax years.

90 3. The issuer of the qualified equity investment shall certify to the department of  
91 economic development the anticipated dollar amount of such investments to be made in this state  
92 during the first twelve-month period following the initial credit allowance date. If on the second  
93 credit allowance date, the actual dollar amount of such investments is different than the amount  
94 estimated, the department of economic development shall adjust the credits arising on the second  
95 allowance date to account for such difference.

96 4. The department of economic development shall recapture the tax credit allowed under  
97 this section with respect to such qualified equity investment under this section if:

98 (1) Any amount of the federal tax credit available with respect to a qualified equity  
99 investment that is eligible for a tax credit under this section is recaptured under Section 45D of  
100 the Internal Revenue Code of 1986, as amended; or

101 (2) The issuer redeems or makes principal repayment with respect to a qualified equity  
102 investment prior to the seventh anniversary of the issuance of such qualified equity investment.  
103 Any tax credit that is subject to recapture shall be recaptured from the taxpayer that claimed the  
104 tax credit on a return.

105 5. The department of economic development shall promulgate rules to implement the  
106 provisions of this section, including recapture provisions on a scaled proportional basis, and to  
107 administer the allocation of tax credits issued for qualified equity investments, which shall be  
108 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined  
109 in section 536.010, that is created under the authority delegated in this section shall become  
110 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
111 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the

112 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
113 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
114 rulemaking authority and any rule proposed or adopted after September 4, 2007, shall be invalid  
115 and void.

116 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be  
117 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal  
118 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution  
119 granting authority to the department of economic development to approve qualified equity  
120 investments for the Missouri new markets development program and clearly describing the  
121 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions  
122 of this subsection, no qualified equity investments may be permitted to be made under this  
123 section. The amount of available tax credits contained in such a resolution shall not exceed the  
124 limitation provided under subsection 2 of this section. In any year in which the provisions of this  
125 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by  
126 general law and not by concurrent resolution. Nothing in this subsection shall preclude a  
127 taxpayer who makes a qualified equity investment prior to the expiration of authority to make  
128 qualified equity investments from claiming tax credits relating to such qualified equity  
129 investment for each applicable credit allowance date.

130 7. Under section 23.253 of the Missouri sunset act:

131 (1) The provisions of the new program authorized under this section shall automatically  
132 sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly;  
133 and

134 (2) If such program is reauthorized, the program authorized under this section shall  
135 automatically sunset twelve years after the effective date of the reauthorization of this section;  
136 and

137 (3) This section shall terminate on September first of the calendar year immediately  
138 following the calendar year in which the program authorized under this section is sunset.  
139 However, nothing in this subsection shall preclude a taxpayer who makes a qualified equity  
140 investment prior to sunset of this section under the provisions of section 23.253 from claiming  
141 tax credits relating to such qualified equity investment for each credit allowance date.

135.686. 1. This section shall be known and may be cited as the "Meat Processing  
2 Facility Investment Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agricultural and small business development authority established  
5 in chapter 348;

6 (2) "Meat processing facility", any commercial plant, as defined under section 265.300,  
7 at which livestock are slaughtered or at which meat or meat products are processed for sale  
8 commercially and for human consumption;

9 (3) "Meat processing modernization or expansion", constructing, improving, or acquiring  
10 buildings or facilities, or acquiring equipment for meat processing including the following, if  
11 used exclusively for meat processing and if acquired and placed in service in this state during tax  
12 years beginning on or after January 1, 2017, but ending on or before December 31, 2021:

13 (a) Building construction including livestock handling, product intake, storage, and  
14 warehouse facilities;

15 (b) Building additions;

16 (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste  
17 facilities;

18 (d) Livestock intake and storage equipment;

19 (e) Processing and manufacturing equipment including cutting equipment, mixers,  
20 grinders, sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors,  
21 pumps, and valves;

22 (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,  
23 conveying, and product movement equipment;

24 (g) Warehouse equipment including storage and curing racks;

25 (h) Waste treatment and waste management equipment including tanks, blowers,  
26 separators, dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial  
27 products;

28 (i) Computer software and hardware used for managing the claimant's meat processing  
29 operation including software and hardware related to logistics, inventory management,  
30 production plant controls, and temperature monitoring controls; and

31 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail  
32 equipment for the commercial sale of meat products if the retail facility is located at the same  
33 location as the meat processing facility;

34 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (5) "Taxpayer", any ~~individual or entity who~~ **corporation that:**

37 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed  
38 under sections 143.191 to 143.265, or the tax imposed under chapter 147; **and**

39 (b) ~~[In the case of an individual, is a resident of this state as verified by a 911 address~~  
40 ~~or, in the absence of a 911 system, a physical address; and~~

41 ~~——(e)] Owns a meat processing facility located in this state;~~



42 (6) "Used exclusively", used to the exclusion of all other uses except for use not  
43 exceeding five percent of total use.

44 3. For all tax years beginning on or after January 1, 2017, but ending on or before  
45 December 31, 2021, a taxpayer shall be allowed a tax credit for meat processing modernization  
46 or expansion related to the taxpayer's meat processing facility. The tax credit amount shall be  
47 equal to twenty-five percent of the amount the taxpayer paid in the tax year for meat processing  
48 modernization or expansion.

49 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
50 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under  
51 this section shall be refundable. The tax credit shall be claimed in the tax year in which the meat  
52 processing modernization or expansion expenses were paid, but any amount of credit that the  
53 taxpayer is prohibited by this section from claiming in a tax year may be carried forward to any  
54 of the taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer  
55 may claim shall not exceed seventy-five thousand dollars per year. If two or more persons own  
56 and operate the meat processing facility, each person may claim a credit under this section in  
57 proportion to his or her ownership interest; except that, the aggregate amount of the credits  
58 claimed by all persons who own and operate the meat processing facility shall not exceed  
59 seventy-five thousand dollars per year. The amount of tax credits authorized in this section and  
60 section 135.679 in a calendar year shall not exceed two million dollars. Tax credits shall be  
61 issued on an as-received application basis until the calendar year limit is reached. Any credits  
62 not issued in any calendar year shall expire and shall not be issued in any subsequent year.

63 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
64 authority an application for the tax credit on a form provided by the authority and any application  
65 fee imposed by the authority. The application shall be filed with the authority at the end of each  
66 calendar year in which a meat processing modernization or expansion project was completed and  
67 for which a tax credit is claimed under this section. The application shall include any certified  
68 documentation, proof of meat processing modernization or expansion, and any other information  
69 required by the authority. All required information obtained by the authority shall be  
70 confidential and not disclosed except by court order, subpoena, or as otherwise provided by law.  
71 If the taxpayer and the meat processing modernization or expansion meet all criteria required by  
72 this section and approval is granted by the authority, the authority shall issue a tax credit  
73 certificate in the appropriate amount. Tax credit certificates issued under this section may be  
74 assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit certificate  
75 shall have the same rights in the tax credit as the original taxpayer. If a tax credit certificate is  
76 assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with

77 the authority specifying the name and address of the new owner of the tax credit certificate and  
78 the value of the tax credit.

79 6. Any information provided under this section shall be confidential information, to be  
80 shared with no one except state and federal animal health officials, except as provided in  
81 subsection 5 of this section.

82 7. The authority shall promulgate rules establishing a process for verifying that a  
83 facility's modernization or expansion for which tax credits were allowed under this section has  
84 in fact expanded the facility's production within three years of the issuance of the tax credit and  
85 if not, the authority shall promulgate through rulemaking a process by which the taxpayer shall  
86 repay the authority an amount equal to that of the tax credit allowed.

87 8. The authority shall, at least annually, submit a report to the Missouri general assembly  
88 reviewing the costs and benefits of the program established under this section.

89 9. The authority may promulgate rules to implement the provisions of this section. Any  
90 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
91 authority delegated in this section shall become effective only if it complies with and is subject  
92 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
93 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
94 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
95 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
96 or adopted after August 28, 2016, shall be invalid and void.

97 10. This section shall not be subject to the Missouri sunset act, sections 23.250 to  
98 23.298.

135.700. For all tax years beginning on or after January 1, 1999, a **corporate** grape  
2 grower or wine producer shall be allowed a tax credit against the state tax liability incurred  
3 pursuant to chapter 143, exclusive of the provisions relating to the withholding of tax as provided  
4 in sections 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price  
5 of all new equipment and materials used directly in the growing of grapes or the production of  
6 wine in the state. Each grower or producer shall apply to the department of economic  
7 development and specify the total amount of such new equipment and materials purchased  
8 during the calendar year. The department of economic development shall certify to the  
9 department of revenue the amount of such tax credit to which a grape grower or wine producer  
10 is entitled pursuant to this section. The provisions of this section notwithstanding, a grower or  
11 producer may only apply for and receive the credit authorized by this section for five tax periods.

135.710. 1. As used in this section, the following terms mean:

- 2 (1) "Alternative fuel vehicle refueling property", property in this state owned by an  
3 eligible applicant and used for storing alternative fuels and for dispensing such alternative fuels  
4 into fuel tanks of motor vehicles owned by such eligible applicant or private citizens;
- 5 (2) "Alternative fuels", any motor fuel at least seventy percent of the volume of which  
6 consists of one or more of the following:
- 7 (a) Ethanol;
- 8 (b) Natural gas;
- 9 (c) Compressed natural gas, or CNG;
- 10 (d) Liquified natural gas, or LNG;
- 11 (e) Liquified petroleum gas, or LP gas, propane, or autogas;
- 12 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;
- 13 (g) Hydrogen;
- 14 (3) "Department", the department of economic development;
- 15 (4) "Electric vehicle recharging property", property in this state owned by an eligible  
16 applicant and used for recharging electric motor vehicles owned by such eligible applicant or  
17 private citizens;
- 18 (5) "Eligible applicant", a ~~business entity or private citizen~~ **corporation** that is the  
19 owner of an electric vehicle recharging property or an alternative fuel vehicle refueling property;
- 20 (6) "Qualified Missouri contractor", a contractor whose principal place of business is  
21 located in Missouri and has been located in Missouri for a period of not less than five years;
- 22 (7) "Qualified property", an electric vehicle recharging property or an alternative fuel  
23 vehicle refueling property which, if constructed after August 28, 2014, was constructed with at  
24 least fifty-one percent of the costs being paid to qualified Missouri contractors for the:
- 25 (a) Fabrication of premanufactured equipment or process piping used in the construction  
26 of such facility;
- 27 (b) Construction of such facility; and
- 28 (c) General maintenance of such facility during the time period in which such facility  
29 receives any tax credit under this section.
- 30
- 31 If no qualified Missouri contractor is located within seventy-five miles of the property, the  
32 requirement that fifty-one percent of the costs shall be paid to qualified Missouri contractors  
33 shall not apply.
- 34 2. For all tax years beginning on or after January 1, 2015, but before January 1, 2018,  
35 any eligible applicant who installs and operates a qualified property shall be allowed a credit  
36 against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections  
37 143.191 to 143.265, or due under chapter 147 or chapter 148 for any tax year in which the

38 applicant is constructing the qualified property. The credit allowed in this section per eligible  
39 applicant who is a private citizen shall not exceed fifteen hundred dollars or per eligible applicant  
40 that is a business entity shall not exceed the lesser of twenty thousand dollars or twenty percent  
41 of the total costs directly associated with the purchase and installation of any alternative fuel  
42 storage and dispensing equipment or any recharging equipment on any qualified property, which  
43 shall not include the following:

- 44 (1) Costs associated with the purchase of land upon which to place a qualified property;
- 45 (2) Costs associated with the purchase of an existing qualified property; or
- 46 (3) Costs for the construction or purchase of any structure.

47 3. Tax credits allowed by this section shall be claimed by the eligible applicant at the  
48 time such applicant files a return for the tax year in which the storage and dispensing or  
49 recharging facilities were placed in service at a qualified property, and shall be applied against  
50 the income tax liability imposed by chapter 143, chapter 147, or chapter 148 after all other  
51 credits provided by law have been applied. The cumulative amount of tax credits which may be  
52 claimed by eligible applicants claiming all credits authorized in this section shall not exceed one  
53 million dollars in any calendar year, subject to appropriations.

54 4. If the amount of the tax credit exceeds the eligible applicant's tax liability, the  
55 difference shall not be refundable. Any amount of credit that an eligible applicant is prohibited  
56 by this section from claiming in a ~~taxable~~ tax year may be carried forward to any of such  
57 applicant's two subsequent ~~taxable~~ tax years. Tax credits allowed under this section may be  
58 assigned, transferred, sold, or otherwise conveyed.

59 5. Any qualified property, for which an eligible applicant receives tax credits under this  
60 section, which ceases to sell alternative fuel or recharge electric vehicles shall cause the  
61 forfeiture of such eligible applicant's tax credits provided under this section for the ~~taxable~~ tax  
62 year in which the qualified property ceased to sell alternative fuel or recharge electric vehicles  
63 and for future ~~taxable~~ tax years with no recapture of tax credits obtained by an eligible  
64 applicant with respect to such applicant's tax years which ended before the sale of alternative fuel  
65 or recharging of electric vehicles ceased.

66 6. The director of revenue shall establish the procedure by which the tax credits in this  
67 section may be claimed, and shall establish a procedure by which the cumulative amount of tax  
68 credits is apportioned equally among all eligible applicants claiming the credit. To the maximum  
69 extent possible, the director of revenue shall establish the procedure described in this subsection  
70 in such a manner as to ensure that eligible applicants can claim all the tax credits possible up to  
71 the cumulative amount of tax credits available for the ~~taxable~~ tax year. No eligible applicant  
72 claiming a tax credit under this section shall be liable for any interest or penalty for filing a tax

73 return after the date fixed for filing such return as a result of the apportionment procedure under  
74 this subsection.

75           7. Any eligible applicant desiring to claim a tax credit under this section shall submit the  
76 appropriate application for such credit with the department. The application for a tax credit  
77 under this section shall include any information required by the department. The department  
78 shall review the applications and certify to the department of revenue each eligible applicant that  
79 qualifies for the tax credit.

80           8. The department and the department of revenue may promulgate rules to implement  
81 the provisions of this section. Any rule or portion of a rule, as that term is defined in section  
82 536.010, that is created under the authority delegated in this section shall become effective only  
83 if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
84 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the  
85 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove  
86 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
87 and any rule proposed or adopted after August 28, 2008, shall be invalid and void.

88           9. The provisions of section 23.253 of the Missouri sunset act notwithstanding:

89           (1) The provisions of the new program authorized under this section shall automatically  
90 sunset three years after December 31, 2014, unless reauthorized by an act of the general  
91 assembly; and

92           (2) If such program is reauthorized, the program authorized under this section shall  
93 automatically sunset six years after the effective date of the reauthorization of this section; and

94           (3) This section shall terminate on December thirty-first of the calendar year immediately  
95 following the calendar year in which the program authorized under this section is sunset; and

96           (4) The provisions of this subsection shall not be construed to limit or in any way impair  
97 the department's ability to redeem tax credits authorized on or before the date the program  
98 authorized under this section expires or a taxpayer's ability to redeem such tax credits.

135.766. An eligible small business, as defined in Section 44 of the Internal Revenue  
2 Code, **that is a corporation, insurance company, or express company** shall be allowed a  
3 credit against the tax otherwise due pursuant to chapter 143, not including sections 143.191 to  
4 143.265, in an amount equal to any amount paid by the eligible small business to the United  
5 States Small Business Administration as a guaranty fee pursuant to obtaining Small Business  
6 Administration guaranteed financing and to programs administered by the United States  
7 Department of Agriculture for rural development or farm service agencies. No tax credits  
8 provided under this section shall be authorized on or after the thirtieth day following the effective  
9 date of this act. The provisions of this subsection shall not be construed to limit or in any way

10 impair the department's ability to issue tax credits authorized prior to the thirtieth day following  
11 the effective date of this act, or a taxpayer's ability to redeem such tax credits.

135.906. All of the Missouri taxable income attributed to a new business facility in a  
2 rural empowerment zone which is earned by a **corporate** taxpayer establishing and operating a  
3 new business facility located within a rural empowerment zone shall be exempt from taxation  
4 under chapter 143 if such new business facility is responsible for the creation of ten new  
5 full-time jobs in the zone within one year from the date on which the tax abatement begins. All  
6 of the Missouri taxable income attributed to a revenue-producing enterprise in a rural  
7 empowerment zone which is earned by a **corporate** taxpayer operating a revenue-producing  
8 enterprise located within a rural empowerment zone and employing nineteen or fewer full-time  
9 employees shall be exempt from taxation under chapter 143 if such revenue-producing enterprise  
10 is responsible for the creation of five new full-time jobs in the zone within one year from the date  
11 on which the tax abatement begins. All of the Missouri taxable income attributed to a  
12 revenue-producing enterprise in a rural empowerment zone which is earned by a **corporate**  
13 taxpayer operating a revenue-producing enterprise located within a rural empowerment zone and  
14 employing twenty or more full-time employees shall be exempt from taxation under chapter 143  
15 if such revenue-producing enterprise is responsible for the creation of a number of new full-time  
16 jobs in the zone equal to twenty-five percent of the number of full-time employees employed by  
17 the revenue-producing enterprise on the date on which tax abatement begins within one year  
18 from the date on which the tax abatement begins.

135.950. The following terms, whenever used in sections 135.950 to 135.970 mean:

2 (1) "Average wage", the new payroll divided by the number of new jobs;  
3 (2) "Blighted area", an area which, by reason of the predominance of defective or  
4 inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,  
5 improper subdivision or obsolete platting, or the existence of conditions which endanger life or  
6 property by fire and other causes, or any combination of such factors, retards the provision of  
7 housing accommodations or constitutes an economic or social liability or a menace to the public  
8 health, safety, morals, or welfare in its present condition and use. The term "blighted area" shall  
9 also include any area which produces or generates or has the potential to produce or generate  
10 electrical energy from a renewable energy resource, and which, by reason of obsolescence,  
11 decadence, blight, dilapidation, deteriorating or inadequate site improvements, substandard  
12 conditions, the predominance or defective or inadequate street layout, unsanitary or unsafe  
13 conditions, improper subdivision or obsolete platting, or the existence of conditions which  
14 endanger the life or property by fire or other means, or any combination of such factors, is  
15 underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or

16 lock and dam site within such area for the production, generation, conversion, and conveyance  
17 of electrical energy from a renewable energy resource;

18 (3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

19 (4) "Commencement of commercial operations" shall be deemed to occur during the first  
20 ~~taxable~~ tax year for which the new business facility is first put into use by the taxpayer in the  
21 enhanced business enterprise in which the taxpayer intends to use the new business facility;

22 (5) "County average wage", the average wages in each county as determined by the  
23 department for the most recently completed full calendar year. However, if the computed county  
24 average wage is above the statewide average wage, the statewide average wage shall be deemed  
25 the county average wage for such county for the purpose of determining eligibility. The  
26 department shall publish the county average wage for each county at least annually.  
27 Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in  
28 conjunction with their project is relocating employees from a Missouri county with a higher  
29 county average wage, such taxpayer shall obtain the endorsement of the governing body of the  
30 community from which jobs are being relocated or the county average wage for their project shall  
31 be the county average wage for the county from which the employees are being relocated;

32 (6) "Department", the department of economic development;

33 (7) "Director", the director of the department of economic development;

34 (8) "Employee", a person employed by the enhanced business enterprise that is scheduled  
35 to work an average of at least one thousand hours per year, and such person at all times has  
36 health insurance offered to him or her, which is partially paid for by the employer;

37 (9) "Enhanced business enterprise", an industry or one of a cluster of industries that is  
38 either:

39 (a) Identified by the department as critical to the state's economic security and growth;  
40 or

41 (b) Will have an impact on industry cluster development, as identified by the governing  
42 authority in its application for designation of an enhanced enterprise zone and approved by the  
43 department; but excluding gambling establishments (NAICS industry group 7132), retail trade  
44 (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations  
45 (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking  
46 places (NAICS subsector 722), however, notwithstanding provisions of this section to the  
47 contrary, headquarters or administrative offices of an otherwise excluded business may qualify  
48 for benefits if the offices serve a multistate territory. In the event a national, state, or regional  
49 headquarters operation is not the predominant activity of a project facility, the new jobs and  
50 investment of such headquarters operation is considered eligible for benefits under this section

51 if the other requirements are satisfied. Service industries may be eligible only if a majority of  
52 its annual revenues will be derived from out of the state;

53 (10) "Existing business facility", any facility in this state which was employed by the  
54 taxpayer claiming the credit in the operation of an enhanced business enterprise immediately  
55 prior to an expansion, acquisition, addition, or replacement;

56 (11) "Facility", any building used as an enhanced business enterprise located within an  
57 enhanced enterprise zone, including the land on which the facility is located and all machinery,  
58 equipment, and other real and depreciable tangible personal property acquired for use at and  
59 located at or within such facility and used in connection with the operation of such facility;

60 (12) "Facility base employment", the greater of the number of employees located at the  
61 facility on the date of the notice of intent, or for the twelve-month period prior to the date of the  
62 notice of intent, the average number of employees located at the facility, or in the event the  
63 project facility has not been in operation for a full twelve-month period, the average number of  
64 employees for the number of months the facility has been in operation prior to the date of the  
65 notice of intent;

66 (13) "Facility base payroll", the total amount of taxable wages paid by the enhanced  
67 business enterprise to employees of the enhanced business enterprise located at the facility in the  
68 twelve months prior to the notice of intent, not including the payroll of owners of the enhanced  
69 business enterprise unless the enhanced business enterprise is participating in an employee stock  
70 ownership plan. For the purposes of calculating the benefits under this program, the amount of  
71 base payroll shall increase each year based on the consumer price index or other comparable  
72 measure, as determined by the department;

73 (14) "Governing authority", the body holding primary legislative authority over a county  
74 or incorporated municipality;

75 (15) "Megaproject", any manufacturing or assembling facility, approved by the  
76 department for construction and operation within an enhanced enterprise zone, which satisfies  
77 the following:

78 (a) The new capital investment is projected to exceed three hundred million dollars over  
79 a period of eight years from the date of approval by the department;

80 (b) The number of new jobs is projected to exceed one thousand over a period of eight  
81 years beginning on the date of approval by the department;

82 (c) The average wage of new jobs to be created shall exceed the county average wage;

83 (d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty  
84 percent of such insurance premiums; and

85 (e) An acceptable plan of repayment, to the state, of the tax credits provided for the  
86 megaproject has been provided by the taxpayer;



87 (16) "NAICS", the 1997 edition of the North American Industry Classification System  
88 as prepared by the Executive Office of the President, Office of Management and Budget. Any  
89 NAICS sector, subsector, industry group or industry identified in this section shall include its  
90 corresponding classification in subsequent federal industry classification systems;

91 (17) "New business facility", a facility that does not produce or generate electrical energy  
92 from a renewable energy resource and satisfies the following requirements:

93 (a) Such facility is employed by the taxpayer in the operation of an enhanced business  
94 enterprise. Such facility shall not be considered a new business facility in the hands of the  
95 taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person  
96 or persons. If the taxpayer employs only a portion of such facility in the operation of an  
97 enhanced business enterprise, and leases another portion of such facility to another person or  
98 persons or does not otherwise use such other portions in the operation of an enhanced business  
99 enterprise, the portion employed by the taxpayer in the operation of an enhanced business  
100 enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c),  
101 and (d) of this subdivision are satisfied;

102 (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A  
103 facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31,  
104 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding  
105 contract to transfer title to the taxpayer, or the commencement of the term of the lease to the  
106 taxpayer occurs after December 31, 2004;

107 (c) If such facility was acquired by the taxpayer from another taxpayer and such facility  
108 was employed immediately prior to the acquisition by another taxpayer in the operation of an  
109 enhanced business enterprise, the operation of the same or a substantially similar enhanced  
110 business enterprise is not continued by the taxpayer at such facility; and

111 (d) Such facility is not a replacement business facility, as defined in subdivision (27) of  
112 this section;

113 (18) "New business facility employee", an employee of the taxpayer in the operation of  
114 a new business facility during the ~~taxable~~ tax year for which the credit allowed by section  
115 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other  
116 operators of rolling stock for hire shall not constitute new business facility employees;

117 (19) "New business facility investment", the value of real and depreciable tangible  
118 personal property, acquired by the taxpayer as part of the new business facility, which is used by  
119 the taxpayer in the operation of the new business facility, during the ~~taxable~~ tax year for which  
120 the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail  
121 vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges,

122 tunnels, and rail yards and spurs shall not constitute new business facility investments. The total  
123 value of such property during such [taxable] tax year shall be:

124 (a) Its original cost if owned by the taxpayer; or

125 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental  
126 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the  
127 taxpayer from subrentals. The new business facility investment shall be determined by dividing  
128 by twelve the sum of the total value of such property on the last business day of each calendar  
129 month of the [taxable] tax year. If the new business facility is in operation for less than an entire  
130 [taxable] tax year, the new business facility investment shall be determined by dividing the sum  
131 of the total value of such property on the last business day of each full calendar month during the  
132 portion of such [taxable] tax year during which the new business facility was in operation by the  
133 number of full calendar months during such period;

134 (20) "New job", the number of employees located at the facility that exceeds the facility  
135 base employment less any decrease in the number of the employees at related facilities below the  
136 related facility base employment. No job that was created prior to the date of the notice of intent  
137 shall be deemed a new job;

138 (21) "Notice of intent", a form developed by the department which is completed by the  
139 enhanced business enterprise and submitted to the department which states the enhanced  
140 business enterprise's intent to hire new jobs and request benefits under such program;

141 (22) "Related facility", a facility operated by the enhanced business enterprise or a  
142 related company in this state that is directly related to the operation of the project facility;

143 (23) "Related facility base employment", the greater of:

144 (a) The number of employees located at all related facilities on the date of the notice of  
145 intent; or

146 (b) For the twelve-month period prior to the date of the notice of intent, the average  
147 number of employees located at all related facilities of the enhanced business enterprise or a  
148 related company located in this state;

149 (24) "Related taxpayer":

150 (a) A corporation, partnership, trust, or association controlled by the taxpayer;

151 (b) An individual, corporation, partnership, trust, or association in control of the  
152 taxpayer; or

153 (c) A corporation, partnership, trust or association controlled by an individual,  
154 corporation, partnership, trust or association in control of the taxpayer. "Control of a  
155 corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty  
156 percent of the total combined voting power of all classes of stock entitled to vote, "control of a  
157 partnership or association" shall mean ownership of at least fifty percent of the capital or profits

158 interest in such partnership or association, and "control of a trust" shall mean ownership, directly  
159 or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such  
160 trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code  
161 of 1986, as amended;

162 (25) "Renewable energy generation zone", an area which has been found, by a resolution  
163 or ordinance adopted by the governing authority having jurisdiction of such area, to be a blighted  
164 area and which contains land, improvements, or a lock and dam site which is unutilized or  
165 underutilized for the production, generation, conversion, and conveyance of electrical energy  
166 from a renewable energy resource;

167 (26) "Renewable energy resource", shall include:

168 (a) Wind;

169 (b) Solar thermal sources or photovoltaic cells and panels;

170 (c) Dedicated crops grown for energy production;

171 (d) Cellulosic agricultural residues;

172 (e) Plant residues;

173 (f) Methane from landfills, agricultural operations, or wastewater treatment;

174 (g) Thermal depolymerization or pyrolysis for converting waste material to energy;

175 (h) Clean and untreated wood such as pallets;

176 (i) Hydroelectric power, which shall include electrical energy produced or generated by  
177 hydroelectric power generating equipment, as such term is defined in section 137.010;

178 (j) Fuel cells using hydrogen produced by one or more of the renewable resources  
179 provided in paragraphs (a) to (i) of this subdivision; or

180 (k) Any other sources of energy, not including nuclear energy, that are certified as  
181 renewable by rule by the department of natural resources;

182 (27) "Replacement business facility", a facility otherwise described in subdivision (17)  
183 of this section, hereafter referred to in this subdivision as "new facility", which replaces another  
184 facility, hereafter referred to in this subdivision as "old facility", located within the state, which  
185 the taxpayer or a related taxpayer previously operated but discontinued operating on or before  
186 the close of the first ~~taxable~~ tax year for which the credit allowed by this section is claimed.  
187 A new facility shall be deemed to replace an old facility if the following conditions are met:

188 (a) The old facility was operated by the taxpayer or a related taxpayer during the  
189 taxpayer's or related taxpayer's taxable period immediately preceding the ~~taxable~~ tax year in  
190 which commencement of commercial operations occurs at the new facility; and

191 (b) The old facility was employed by the taxpayer or a related taxpayer in the operation  
192 of an enhanced business enterprise and the taxpayer continues the operation of the same or  
193 substantially similar enhanced business enterprise at the new facility. Notwithstanding the

194 preceding provisions of this subdivision, a facility shall not be considered a replacement business  
195 facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this  
196 section, in the new facility during the tax period for which the credits allowed in section 135.967  
197 are claimed exceed one million dollars and if the total number of employees at the new facility  
198 exceeds the total number of employees at the old facility by at least two;

199 (28) "Same or substantially similar enhanced business enterprise", an enhanced business  
200 enterprise in which the nature of the products produced or sold, or activities conducted, are  
201 similar in character and use or are produced, sold, performed, or conducted in the same or similar  
202 manner as in another enhanced business enterprise;

203 **(29) "Taxpayer", a corporation.**

135.1150. 1. This section shall be known and may be cited as the "Residential  
2 Treatment Agency Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency that are used  
7 solely to provide direct care services to children who are residents of this state. Eligible  
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued  
9 and documented according to rules promulgated by the department of social services. For  
10 purposes of this section, "direct care services" include but are not limited to increasing the  
11 quality of care and service for children through improved employee compensation and training;

12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that  
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint  
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on  
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri  
16 department of social services to provide treatment services for children who are residents or  
17 wards of residents of this state, and that receives eligible donations. Any agency that operates  
18 more than one facility or at more than one location shall be eligible for the tax credit under this  
19 section only for any eligible donation made to facilities or locations of the agency which are  
20 licensed and accredited;

21 (5) "Taxpayer", any of the following ~~individuals or~~ entities ~~[who]~~ **that** make an eligible  
22 donation to an agency:

23 (a) A ~~person, firm, partner in a firm,~~ corporation~~[-, or a shareholder in an S corporation]~~  
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter  
25 143;

26 (b) ~~[A corporation subject to the annual corporation franchise tax imposed in chapter~~  
27 ~~147;~~

28 ~~——(e)]~~ An insurance company paying an annual tax on its gross premium receipts in this  
29 state;

30 ~~[(d)]~~ (c) Any other financial institution paying taxes to the state of Missouri or any  
31 political subdivision of this state under chapter 148;

32 ~~[(e) An individual subject to the state income tax imposed in chapter 143;~~

33 ~~——(f)]~~ or

34 (d) Any charitable organization ~~[which]~~ **that** is exempt from federal income tax and  
35 whose Missouri unrelated business taxable income, if any, would be subject to the state income  
36 tax imposed under chapter 143.

37 3. For all ~~[taxable] tax~~ years beginning on or after January 1, 2007, any taxpayer shall  
38 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148, excluding  
39 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of  
40 the amount of an eligible donation, subject to the restrictions in this section. The amount of the  
41 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the  
42 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by  
43 this section from claiming in a tax year shall not be refundable, but may be carried forward to  
44 any of the taxpayer's four subsequent ~~[taxable] tax~~ years.

45 4. To claim the credit authorized in this section, an agency may submit to the department  
46 an application for the tax credit authorized by this section on behalf of taxpayers. The  
47 department shall verify that the agency has submitted the following items accurately and  
48 completely:

49 (1) A valid application in the form and format required by the department;

50 (2) A statement attesting to the eligible donation received, which shall include the name  
51 and taxpayer identification number of the individual making the eligible donation, the amount  
52 of the eligible donation, and the date the eligible donation was received by the agency; and

53 (3) Payment from the agency equal to the value of the tax credit for which application  
54 is made.

55

56 If the agency applying for the tax credit meets all criteria required by this subsection, the  
57 department shall issue a certificate in the appropriate amount.

58 5. An agency may apply for tax credits in an aggregate amount that does not exceed the  
59 payments made by the department to the agency in the preceding twelve months.

60 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise  
61 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the

62 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a  
63 notarized endorsement shall be filed with the department specifying the name and address of the  
64 new owner of the tax credit or the value of the credit.

65 7. The department shall promulgate rules to implement the provisions of this section.  
66 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
67 authority delegated in this section shall become effective only if it complies with and is subject  
68 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
69 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
70 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
71 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
72 or adopted after August 28, 2006, shall be invalid and void.

135.1180. 1. This section shall be known and may be cited as the "Developmental  
2 Disability Care Provider Tax Credit Program".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received by a provider from a taxpayer that are used  
7 solely to provide direct care services to persons with developmental disabilities who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real  
9 estate that will be valued and documented according to rules promulgated by the department of  
10 social services. For purposes of this section, "direct care services" include, but are not limited  
11 to, increasing the quality of care and service for persons with developmental disabilities through  
12 improved employee compensation and training;

13 (4) "Qualified developmental disability care provider" or "provider", a care provider that  
14 provides assistance to persons with developmental disabilities, and is accredited by the Council  
15 on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations  
16 (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), or is under  
17 contract with the Missouri department of social services or department of mental health to  
18 provide treatment services for such persons, and that receives eligible donations. Any provider  
19 that operates more than one facility or at more than one location shall be eligible for the tax  
20 credit under this section only for any eligible donation made to facilities or locations of the  
21 provider which are licensed or accredited;

22 (5) "Taxpayer", any of the following individuals or entities who make an eligible  
23 donation to a provider:

24 (a) A ~~[person, firm, partner in a firm,]~~ corporation~~[, or a shareholder in an S corporation]~~  
25 doing business in the state of Missouri and subject to the state income tax imposed in chapter  
26 143;

27 ~~(b) [A corporation subject to the annual corporation franchise tax imposed in chapter~~  
28 ~~147;~~

29 ~~——(e)]~~ An insurance company paying an annual tax on its gross premium receipts in this  
30 state;

31 ~~[(d)]~~ (c) Any other financial institution paying taxes to the state of Missouri or any  
32 political subdivision of this state under chapter 148;

33 ~~[(e) An individual subject to the state income tax imposed in chapter 143;~~

34 ~~——(f)]~~ or

35 (d) Any charitable organization which is exempt from federal income tax and whose  
36 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
37 imposed under chapter 143.

38 3. For all ~~[taxable] tax~~ years beginning on or after January 1, 2012, any taxpayer shall  
39 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding  
40 withholding tax imposed by sections 143.191 to 143.265 in an amount equal to fifty percent of  
41 the amount of an eligible donation, subject to the restrictions in this section. The amount of the  
42 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the  
43 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by  
44 this section from claiming in a tax year shall not be refundable, but may be carried forward to  
45 any of the taxpayer's four subsequent ~~[taxable] tax~~ years.

46 4. To claim the credit authorized in this section, a provider may submit to the department  
47 an application for the tax credit authorized by this section on behalf of taxpayers. The  
48 department shall verify that the provider has submitted the following items accurately and  
49 completely:

50 (1) A valid application in the form and format required by the department;

51 (2) A statement attesting to the eligible donation received, which shall include the name  
52 and taxpayer identification number of the individual making the eligible donation, the amount  
53 of the eligible donation, and the date the eligible donation was received by the provider; and

54 (3) Payment from the provider equal to the value of the tax credit for which application  
55 is made.

56

57 If the provider applying for the tax credit meets all criteria required by this subsection, the  
58 department shall issue a certificate in the appropriate amount.

59 5. Tax credits issued under this section may be assigned, transferred, sold, or otherwise  
 60 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the  
 61 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a  
 62 notarized endorsement shall be filed with the department specifying the name and address of the  
 63 new owner of the tax credit or the value of the credit.

64 6. The department shall promulgate rules to implement the provisions of this section.  
 65 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
 66 authority delegated in this section shall become effective only if it complies with and is subject  
 67 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
 68 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
 69 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
 70 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
 71 or adopted after August 28, 2012, shall be invalid and void.

143.011. [~~1-~~] A tax is hereby imposed for every [~~taxable~~] tax year on the Missouri  
 2 taxable income of every resident. The tax shall be determined by applying the [~~tax table or the~~  
 3 ~~rate provided in section 143.021, which is based upon the following rates:~~

4 If the Missouri taxable income is:	The tax is:
5 Not over \$1,000.00	1 1/2% of the Missouri taxable income
6 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
7 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
8 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
9 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
10 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
11 Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
12 Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
13 Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
14 Over \$9,000	\$315 plus 6% of excess over \$9,000

15

16 ~~2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of~~  
 17 ~~this section may be reduced over a period of years. Each reduction in the top rate of tax shall be~~  
 18 ~~by one-tenth of a percent and no more than one reduction shall occur in a calendar year. The top~~



19 ~~rate of tax shall not be reduced below five and one-half percent. Reductions in the rate of tax~~  
 20 ~~shall take effect on January first of a calendar year and such reduced rates shall continue in effect~~  
 21 ~~until the next reduction occurs.~~

22 ~~———(2) A reduction in the rate of tax shall only occur if the amount of net general revenue~~  
 23 ~~collected in the previous fiscal year exceeds the highest amount of net general revenue collected~~  
 24 ~~in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million~~  
 25 ~~dollars.~~

26 ~~———(3) Any modification of tax rates under this subsection shall only apply to tax years that~~  
 27 ~~begin on or after a modification takes effect.~~

28 ~~———(4) The director of the department of revenue shall, by rule, adjust the tax tables under~~  
 29 ~~subsection 1 of this section to effectuate the provisions of this subsection. The bracket for~~  
 30 ~~income subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced~~  
 31 ~~to five and one-half of a percent.~~

32 ~~———3. Beginning with the 2017 calendar year, the brackets of Missouri taxable income~~  
 33 ~~identified in subsection 1 of this section shall be adjusted annually by the percent increase in~~  
 34 ~~inflation. The director shall publish such brackets annually beginning on or after October 1,~~  
 35 ~~2016. Modifications to the brackets shall take effect on January first of each calendar year and~~  
 36 ~~shall apply to tax years beginning on or after the effective date of the new brackets.~~

37 ~~———4. As used in this section, the following terms mean:~~

38 ~~———(1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as~~  
 39 ~~reported by the Bureau of Labor Statistics, or its successor index;~~

40 ~~———(2) "CPI for the preceding calendar year", the average of the CPI as of the close of the~~  
 41 ~~twelve month period ending on August thirty-first of such calendar year;~~

42 ~~———(3) "Percent increase in inflation", the percentage, if any, by which the CPI for the~~  
 43 ~~preceding calendar year exceeds the CPI for the year beginning September 1, 2014, and ending~~  
 44 ~~August 31, 2015.] rate of two and seventeen-hundredths percent to the resident's federal~~

45 ~~**adjusted gross income. There shall be no tax on a taxable income of less than one hundred**~~  
 46 ~~**dollars.**~~

143.022. [1-] As used in this section, "business income" means the income greater than  
 2 zero arising from transactions in the regular course of all of a taxpayer's trade or business and  
 3 shall be limited to the Missouri source net profit from the combination of the following:

4 (1) The total combined profit as properly reported to the Internal Revenue Service on  
 5 each Schedule C, or its successor form, filed; and

6 (2) The total partnership and S corporation income or loss properly reported to the  
 7 Internal Revenue Service on Part II of Schedule E, or its successor form.

8           ~~[2. In addition to all other modifications allowed by law, there shall be subtracted from~~  
 9 ~~the federal adjusted gross income of an individual taxpayer a percentage of such individual's~~  
 10 ~~business income, to the extent that such amounts are included in federal adjusted gross income~~  
 11 ~~when determining such individual's Missouri adjusted gross income.~~

12           ~~3. In the case of an S corporation described in section 143.471 or a partnership~~  
 13 ~~computing the deduction allowed under subsection 2 of this section, taxpayers described in~~  
 14 ~~subdivision (1) or (2) of this subsection shall be allowed such deduction apportioned in~~  
 15 ~~proportion to their share of ownership of the business as reported on the taxpayer's Schedule K-1,~~  
 16 ~~or its successor form, for the tax period for which such deduction is being claimed when~~  
 17 ~~determining the Missouri adjusted gross income of:~~

18           ~~(1) The shareholders of an S corporation as described in section 143.471;~~

19           ~~(2) The partners in a partnership.~~

20           ~~4. The percentage to be subtracted under subsection 2 of this section shall be increased~~  
 21 ~~over a period of years. Each increase in the percentage shall be by five percent and no more than~~  
 22 ~~one increase shall occur in a calendar year. The maximum percentage that may be subtracted is~~  
 23 ~~twenty-five percent of business income. Any increase in the percentage that may be subtracted~~  
 24 ~~shall take effect on January first of a calendar year and such percentage shall continue in effect~~  
 25 ~~until the next percentage increase occurs. An increase shall only apply to tax years that begin~~  
 26 ~~on or after the increase takes effect.~~

27           ~~5. An increase in the percentage that may be subtracted under subsection 2 of this section~~  
 28 ~~shall only occur if the amount of net general revenue collected in the previous fiscal year exceeds~~  
 29 ~~the highest amount of net general revenue collected in any of the three fiscal years prior to such~~  
 30 ~~fiscal year by at least one hundred fifty million dollars.~~

31           ~~6. The first year that a taxpayer may make the subtraction under subsection 2 of this~~  
 32 ~~section is 2017, provided that the provisions of subsection 5 of this section are met. If the~~  
 33 ~~provisions of subsection 5 of this section are met, the percentage that may be subtracted in 2017~~  
 34 ~~is five percent.]~~

143.031. 1. A ~~[husband and wife]~~ **married couple** who file a joint federal income tax  
 2 return shall file a combined return. A ~~[husband and wife]~~ **married couple** who do not file a joint  
 3 federal income tax return shall not file a combined return.

4           2. The Missouri combined ~~[taxable]~~ **adjusted gross** income on a combined return shall  
 5 ~~[include all of the income and deductions of the husband and wife]~~ **be the combined federal**  
 6 **adjusted gross income of the married couple.** The Missouri taxable income of each spouse  
 7 shall be an amount that is the same proportion of their Missouri combined taxable income as the  
 8 Missouri adjusted gross income of that spouse bears to their Missouri combined adjusted gross  
 9 income.

10           3. The tax of each spouse shall be determined by the application of either section  
11 143.021 or section 143.041 depending upon whether such spouse is a resident or nonresident.  
12 Their Missouri combined tax shall be the sum of the tax applicable to each spouse.

143.041. 1. A tax is hereby imposed for every ~~taxable~~ tax year on the income of every  
2 nonresident individual which is derived from sources within this state. The tax shall be ~~that~~  
3 ~~amount which bears the same ratio to the tax applicable to the individual if he would have been~~  
4 ~~a resident as (A) his Missouri nonresident adjusted gross income as determined under section~~  
5 ~~143.181 (Missouri) two and seventeen-hundredths percent of the portion of a nonresident~~  
6 ~~individual's federal adjusted gross income that is derived from sources within this state]~~ **two and seventeen-hundredths percent of the portion of a nonresident**  
7 ~~to (B) his Missouri adjusted gross income derived from all sources].~~ **The portion derived from**  
8 **sources within this state shall be determined under section 143.181.**

9           2. The provisions of this section shall not apply to out-of-state businesses or out-of-state  
10 employees operating under sections 190.270 to 190.285.

143.051. 1. An individual who is a resident for only part of ~~his~~ **the individual's**  
2 taxable period shall be treated as a nonresident for purposes of sections 143.011 to 143.996.  
3 ~~His~~ **The individual's** Missouri nonresident adjusted gross income (Missouri adjusted gross  
4 income from sources within this state) shall consist of:

5           (1) All items that would have determined ~~his~~ **the individual's** Missouri adjusted gross  
6 income if ~~he~~ **the individual** had a taxable period as a resident consisting solely of the time he  
7 was a resident~~;~~ ; and

8           (2) All items that would have determined ~~his~~ **the individual's** Missouri nonresident  
9 adjusted gross income if ~~he~~ **the individual** had a taxable period as a nonresident consisting  
10 solely of the time he was not a resident.

11           2. An individual described in subsection 1 **of this section** may determine ~~his~~ **such**  
12 **individual's** tax as if he **or she** were a resident for the entire taxable period.

143.111. The Missouri taxable income of a resident shall be such resident's Missouri  
2 adjusted gross income ~~less:~~

- 3 ~~—— (1) Either the Missouri standard deduction or the Missouri itemized deduction;~~
- 4 ~~—— (2) The Missouri deduction for personal exemptions;~~
- 5 ~~—— (3) The Missouri deduction for dependency exemptions;~~
- 6 ~~—— (4) The deduction for federal income taxes provided in section 143.171; and~~
- 7 ~~—— (5) The deduction for a self-employed individual's health insurance costs provided in~~  
8 ~~section 143.113].~~

143.121. ~~[+]~~ The Missouri adjusted gross income of a resident individual shall be the  
2 taxpayer's federal adjusted gross income ~~[subject to the modifications in this section].~~

3 ~~[2. There shall be added to the taxpayer's federal adjusted gross income:~~

- 4 ~~———(1) The amount of any federal income tax refund received for a prior year which resulted~~  
5 ~~in a Missouri income tax benefit;~~
- 6 ~~———(2) Interest on certain governmental obligations excluded from federal gross income by~~  
7 ~~Section 103 of the Internal Revenue Code. The previous sentence shall not apply to interest on~~  
8 ~~obligations of the state of Missouri or any of its political subdivisions or authorities and shall not~~  
9 ~~apply to the interest described in subdivision (1) of subsection 3 of this section. The amount~~  
10 ~~added pursuant to this subdivision shall be reduced by the amounts applicable to such interest~~  
11 ~~that would have been deductible in computing the taxable income of the taxpayer except only~~  
12 ~~for the application of Section 265 of the Internal Revenue Code. The reduction shall only be~~  
13 ~~made if it is at least five hundred dollars;~~
- 14 ~~———(3) The amount of any deduction that is included in the computation of federal taxable~~  
15 ~~income pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation~~  
16 ~~and Worker Assistance Act of 2002 to the extent the amount deducted relates to property~~  
17 ~~purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount~~  
18 ~~deducted exceeds the amount that would have been deductible pursuant to Section 168 of the~~  
19 ~~Internal Revenue Code of 1986 as in effect on January 1, 2002;~~
- 20 ~~———(4) The amount of any deduction that is included in the computation of federal taxable~~  
21 ~~income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986, as~~  
22 ~~amended, other than the deduction allowed by Section 172(b)(1)(G) and Section 172(i) of the~~  
23 ~~Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the~~  
24 ~~tax year in which the net operating loss occurred or carries forward for a period of more than~~  
25 ~~twenty years and carries backward for more than two years. Any amount of net operating loss~~  
26 ~~taken against federal taxable income but disallowed for Missouri income tax purposes pursuant~~  
27 ~~to this subdivision after June 18, 2002, may be carried forward and taken against any income on~~  
28 ~~the Missouri income tax return for a period of not more than twenty years from the year of the~~  
29 ~~initial loss; and~~
- 30 ~~———(5) For nonresident individuals in all taxable years ending on or after December 31,~~  
31 ~~2006, the amount of any property taxes paid to another state or a political subdivision of another~~  
32 ~~state for which a deduction was allowed on such nonresident's federal return in the taxable year~~  
33 ~~unless such state, political subdivision of a state, or the District of Columbia allows a subtraction~~  
34 ~~from income for property taxes paid to this state for purposes of calculating income for the~~  
35 ~~income tax for such state, political subdivision of a state, or the District of Columbia.~~
- 36 ~~———3. There shall be subtracted from the taxpayer's federal adjusted gross income the~~  
37 ~~following amounts to the extent included in federal adjusted gross income:~~
- 38 ~~———(1) Interest or dividends on obligations of the United States and its territories and~~  
39 ~~possessions or of any authority, commission or instrumentality of the United States to the extent~~

40 exempt from Missouri income taxes pursuant to the laws of the United States. The amount  
41 subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred  
42 to carry the described obligations or securities and by any expenses incurred in the production  
43 of interest or dividend income described in this subdivision. The reduction in the previous  
44 sentence shall only apply to the extent that such expenses including amortizable bond premiums  
45 are deducted in determining the taxpayer's federal adjusted gross income or included in the  
46 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total  
47 at least five hundred dollars;

48 ———(2) The portion of any gain, from the sale or other disposition of property having a higher  
49 adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax  
50 purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is  
51 considered a long-term capital gain for federal income tax purposes, the modification shall be  
52 limited to one-half of such portion of the gain;

53 ———(3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity  
54 or other amount of income or gain which was properly included in income or gain and was taxed  
55 pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or  
56 to a decedent by reason of whose death the taxpayer acquired the right to receive the income or  
57 gain, or to a trust or estate from which the taxpayer received the income or gain;

58 ———(4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the  
59 extent that the same are included in federal adjusted gross income;

60 ———(5) The amount of any state income tax refund for a prior year which was included in the  
61 federal adjusted gross income;

62 ———(6) The portion of capital gain specified in section 135.357 that would otherwise be  
63 included in federal adjusted gross income;

64 ———(7) The amount that would have been deducted in the computation of federal taxable  
65 income pursuant to Section 168 of the Internal Revenue Code as in effect on January 1, 2002,  
66 to the extent that amount relates to property purchased on or after July 1, 2002, but before July  
67 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section  
68 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act  
69 of 2002;

70 ———(8) For all tax years beginning on or after January 1, 2005, the amount of any income  
71 received for military service while the taxpayer serves in a combat zone which is included in  
72 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,  
73 "combat zone" means any area which the President of the United States by Executive Order  
74 designates as an area in which Armed Forces of the United States are or have engaged in combat.  
75 Service is performed in a combat zone only if performed on or after the date designated by the

76 President by Executive Order as the date of the commencing of combat activities in such zone,  
77 and on or before the date designated by the President by Executive Order as the date of the  
78 termination of combatant activities in such zone;

79 ——— (9) For all tax years ending on or after July 1, 2002, with respect to qualified property  
80 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an  
81 additional modification was made under subdivision (3) of subsection 2 of this section, the  
82 amount by which additional modification made under subdivision (3) of subsection 2 of this  
83 section on qualified property has not been recovered through the additional subtractions provided  
84 in subdivision (7) of this subsection; and

85 ——— (10) For all tax years beginning on or after January 1, 2014, the amount of any income  
86 received as payment from any program which provides compensation to agricultural producers  
87 who have suffered a loss as the result of a disaster or emergency, including the:

88 ——— (a) Livestock Forage Disaster Program;

89 ——— (b) Livestock Indemnity Program;

90 ——— (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;

91 ——— (d) Emergency Conservation Program;

92 ——— (e) Noninsured Crop Disaster Assistance Program;

93 ——— (f) Pasture, Rangeland, Forage Pilot Insurance Program;

94 ——— (g) Annual Forage Pilot Program;

95 ——— (h) Livestock Risk Protection Insurance Plan; and

96 ——— (i) Livestock Gross Margin insurance plan.

97 ——— 4. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
98 income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

99 ——— 5. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
100 income the modifications provided in section 143.411.

101 ——— 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this  
102 section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's  
103 federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal  
104 Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of  
105 property as a result of condemnation or the imminence thereof.

106 ——— 7. (1) As used in this subsection, "qualified health insurance premium" means the  
107 amount paid during the tax year by such taxpayer for any insurance policy primarily providing  
108 health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

109 ——— (2) In addition to the subtractions in subsection 3 of this section, one hundred percent  
110 of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's  
111 federal adjusted gross income to the extent the amount paid for such premiums is included in

112 federal taxable income. The taxpayer shall provide the department of revenue with proof of the  
113 amount of qualified health insurance premiums paid.

114 ~~8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section,  
115 one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an  
116 entity certified by the department of natural resources under section 640.153 or the  
117 implementation of any energy efficiency recommendations made in such an audit shall be  
118 subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for  
119 any such activity is included in federal taxable income. The taxpayer shall provide the  
120 department of revenue with a summary of any recommendations made in a qualified home  
121 energy audit, the name and certification number of the qualified home energy auditor who  
122 conducted the audit, and proof of the amount paid for any activities under this subsection for  
123 which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any  
124 recommendations made in a qualified home energy audit to the department of natural resources.~~

125 ~~(2) At no time shall a deduction claimed under this subsection by an individual taxpayer  
126 or taxpayers filing combined returns exceed one thousand dollars per year for individual  
127 taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined  
128 returns.~~

129 ~~(3) Any deduction claimed under this subsection shall be claimed for the tax year in  
130 which the qualified home energy audit was conducted or in which the implementation of the  
131 energy efficiency recommendations occurred. If implementation of the energy efficiency  
132 recommendations occurred during more than one year, the deduction may be claimed in more  
133 than one year, subject to the limitations provided under subdivision (2) of this subsection.~~

134 ~~(4) A deduction shall not be claimed for any otherwise eligible activity under this  
135 subsection if such activity qualified for and received any rebate or other incentive through a  
136 state-sponsored energy program or through an electric corporation, gas corporation, electric  
137 cooperative, or municipally owned utility.~~

138 ~~9. The provisions of subsection 8 of this section shall expire on December 31, 2020.]~~  
143.173. 1. As used in this section, the following terms mean:

2 (1) "County average wage", the average wages in each county as determined by the  
3 department of economic development for the most recently completed full calendar year.  
4 However, if the computed county average wage is above the statewide average wage, the  
5 statewide average wage shall be deemed the county average wage for such county for the purpose  
6 of this section;

7 (2) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross  
8 income to determine Missouri taxable income, or federal taxable income in the case of a  
9 corporation, for the tax year in which such deduction is claimed;

10 (3) "Full-time employee", a position in which the employee is considered full-time by  
11 the taxpayer and is required to work an average of at least thirty-five hours per week for a  
12 fifty-two week period;

13 (4) "New job", the number of full-time employees employed by the small business in  
14 Missouri on the qualifying date that exceeds the number of full-time employees employed by the  
15 small business in Missouri on the same date of the immediately preceding ~~[taxable]~~ **tax** year;

16 (5) "Qualifying date", any date during the tax year as chosen by the small business;

17 (6) "Small business", any small business, including any sole proprietorship, partnership,  
18 S-corporation, C-corporation, limited liability company, limited liability partnership, or other  
19 business entity, consisting of fewer than fifty full- or part-time employees;

20 (7) "Taxpayer", any ~~[small business]~~ **corporation** subject to the income tax imposed ~~[in~~  
21 ~~this chapter, including any sole proprietorship, partnership, S-corporation, C-corporation, limited~~  
22 ~~liability company, limited liability partnership, or other business entity]~~ **under sections 143.431**  
23 **to 143.471.**

24 2. In addition to all deductions listed in this chapter, for all ~~[taxable]~~ **tax** years beginning  
25 on or after January 1, 2011, and ending on or before December 31, 2014, a taxpayer shall be  
26 allowed a deduction for each new job created by the small business in the ~~[taxable]~~ **tax** year.  
27 ~~[Tax deductions allowed to any partnership, limited liability company, S-corporation, or other~~  
28 ~~pass-through entity may be allocated to the partners, members, or shareholders of such entity for~~  
29 ~~their direct use in accordance with the provisions of any agreement among such partners,~~  
30 ~~members, or shareholders.]~~ The deduction amount shall be as follows:

31 (1) Ten thousand dollars for each new job created with an annual salary of at least the  
32 county average wage; or

33 (2) Twenty thousand dollars for each new job created with an annual salary of at least  
34 the county average wage if the small business offers health insurance and pays at least fifty  
35 percent of such insurance premiums.

36 3. The department of revenue shall establish the procedure by which the deduction  
37 provided in this section may be claimed, and may promulgate rules to implement the provisions  
38 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
39 created under the authority delegated in this section shall become effective only if it complies  
40 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
41 This section and chapter 536 are nonseverable and if any of the powers vested with the general  
42 assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a  
43 rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
44 proposed or adopted after August 28, 2011, shall be invalid and void.

45 4. Under section 23.253 of the Missouri sunset act:



46 (1) The provisions of the new program authorized under this section shall automatically  
47 sunset on December thirty-first three years after August 28, 2011, unless reauthorized by an act  
48 of the general assembly; and

49 (2) If such program is reauthorized, the program authorized under this section shall  
50 automatically sunset on December thirty-first three years after the effective date of the  
51 reauthorization of this section; and

52 (3) This section shall terminate on September first of the calendar year immediately  
53 following the calendar year in which the program authorized under this section is sunset.

143.181. 1. ~~[The Missouri nonresident adjusted gross income shall be that part of the~~  
2 ~~nonresident individual's federal adjusted gross] Income derived from sources within [Missouri,~~  
3 ~~as modified in the same manner as set forth in section 143.121 with respect to resident~~  
4 ~~individuals. It] **this state** shall be the sum of[:~~

5 ~~——(1)] the net amount of items of income, gain, loss, and deduction entering into [his or~~  
6 ~~her] **the individual's** federal adjusted gross income which are derived from or connected with~~  
7 sources in this state including:

8 ~~[(a)] (1)~~ The individual's distributive share of partnership income and deductions  
9 determined under section 143.421; ~~[and]~~

10 ~~[(b)] (2)~~ The individual's share of estate or trust income and deductions determined under  
11 section 143.391; and

12 ~~[(c)] (3)~~ The individual's pro rata share of S corporation income and deductions  
13 determined under subsection 3 of section 143.471; ~~and~~

14 ~~——(2) The portion of the modifications described in section 143.121 which relate to income~~  
15 ~~derived from sources in this state, including any modifications attributable to him or her as a~~  
16 ~~partner].~~

17 2. Items of income, gain, loss, and deduction derived from or connected with sources  
18 within this state are those items attributable to:

19 (1) The ownership or disposition of any interest in real or tangible personal property in  
20 this state;

21 (2) A business, trade, profession, or occupation carried on in this state;

22 (3) Winnings from a wager placed in a lottery conducted by the state lottery commission,  
23 if the proceeds from such wager are required, pursuant to the Internal Revenue Code of 1986,  
24 as amended, or regulations adopted thereunder, to be reported by the state lottery commission  
25 to the Internal Revenue Service; and

26 (4) Winnings from any other wager placed in this state or from any wagering transaction,  
27 gaming activity, or gambling activity in this state, if the proceeds from such wager, wagering  
28 transaction, gaming activity, or gambling activity are required, pursuant to the Internal Revenue

29 Code of 1986, as amended, or regulations adopted thereunder, to be reported by the payer to the  
30 Internal Revenue Service.

31 3. Income from intangible personal property, including annuities, dividends, interest, and  
32 gains from the disposition of intangible personal property, shall constitute income derived from  
33 sources within this state only to the extent that such income is from:

34 (1) Property employed in a business, trade, profession, or occupation carried on in this  
35 state;

36 (2) Winnings from a wager placed in a lottery conducted by the state lottery commission,  
37 if the proceeds from such wager are required, pursuant to the Internal Revenue Code of 1986,  
38 as amended, or regulations adopted thereunder, to be reported by the state lottery commission  
39 to the Internal Revenue Service; and

40 (3) Winnings from any other wager placed in this state or from any wagering transaction,  
41 gaming activity, or gambling activity in this state, if the proceeds from such wager, wagering  
42 transaction, gaming activity, or gambling activity are required, pursuant to the Internal Revenue  
43 Code of 1986, as amended, or regulations adopted thereunder, to be reported by the payer to the  
44 Internal Revenue Service.

45 4. Deductions with respect to capital losses, net long-term capital gains, and net  
46 operation losses shall be based solely on income, gains, losses, and deductions derived from  
47 sources within this state in the same manner as the corresponding federal deductions under  
48 regulations to be prescribed by the director of revenue.

49 5. If a business, trade, profession, or occupation is carried on partly within and partly  
50 without this state, the items of income and deduction derived from or connected with sources  
51 within this state shall be determined by apportionment and allocation under regulations to be  
52 prescribed by the director of revenue.

53 6. Compensation paid by the United States for service in the Armed Forces of the United  
54 States performed by a nonresident shall not constitute income derived from sources within this  
55 state.

143.341. [1-] The Missouri taxable income of a resident estate or trust means its federal  
2 taxable income [subject to the modifications in this section:

3 ~~2. There shall be subtracted the amount if any that the federal personal exemption~~  
4 ~~deduction allowable to the estate or trust exceeds its federal taxable income without its personal~~  
5 ~~exemption deduction:~~

6 ~~3. There shall be added or subtracted, as the case may be, the modifications described~~  
7 ~~in sections 143.121 and 143.141, and there shall be subtracted the federal income tax deduction~~  
8 ~~provided in section 143.171. These additions and subtractions shall only apply to the extent that~~  
9 ~~they are not determinants of the federal distributable net income of the estate or trust.~~

10 ~~4. There shall be added or subtracted, as the case may be, the share of the estate or trust~~  
 11 ~~in the fiduciary adjustment determined under section 143.351].~~

143.1100. 1. This section shall be known and may be cited as the “Bring Jobs Home  
 2 Act”.

3 2. As used in this section, the following terms shall mean:

4 (1) “Business unit”:

5 (a) Any trade or business; and

6 (b) Any line of business or function unit which is part of any trade or business;

7 (2) “Deduction”[:

8 ~~(a) For individuals, an amount subtracted from the taxpayer’s Missouri adjusted gross~~  
 9 ~~income to determine Missouri taxable income for the tax year in which such deduction is~~  
 10 ~~claimed; and~~

11 ~~(b)]~~, for corporations, an amount subtracted from the taxpayer’s federal taxable income  
 12 to determine Missouri taxable income for the tax year in which such deduction is claimed;

13 (3) “Department”, the department of economic development;

14 (4) “Eligible expenses”:

15 (a) Any amount for which a deduction is allowed to the taxpayer under Section 162 of  
 16 the Internal Revenue Code of 1986, as amended; and

17 (b) Permit and license fees, lease brokerage fees, equipment installation costs, and other  
 18 similar expenses;

19 (5) “Eligible insourcing expenses”:

20 (a) Eligible expenses paid or incurred by the taxpayer in connection with the elimination  
 21 of any business unit of the taxpayer or of any member of any expanded affiliated group in which  
 22 the taxpayer is also a member located outside the state of Missouri; and

23 (b) Eligible expenses paid or incurred by the taxpayer in connection with the  
 24 establishment of any business unit of the taxpayer or of any member of any expanded affiliated  
 25 group in which the taxpayer is also a member located within the state of Missouri if such  
 26 establishment constitutes the relocation of the business unit so eliminated.

27

28 For purposes of this subdivision, expenses shall be eligible if such elimination of the business  
 29 unit in another state or country occurs in a different **[taxable] tax** year from the establishment of  
 30 the business unit in Missouri;

31 (6) “Expanded affiliated group”, an affiliated group as defined under Section 1504(a)  
 32 of the Internal Revenue Code of 1986, as amended, except to be determined without regard to  
 33 Section 1504(b)(3) of the Internal Revenue Code of 1986, as amended, and determined by  
 34 substituting “at least eighty percent” with “more than fifty percent” each place the phrase appears

35 under Section 1504(a) of the Internal Revenue Code of 1986, as amended. A partnership or any  
36 other entity other than a corporation shall be treated as a member of an expanded affiliated group  
37 if such entity is controlled by members of such group including any entity treated as a member  
38 of such group by reason of this subdivision;

39 (7) “Full-time equivalent employee”, a number of employees equal to the number  
40 determined by dividing the total number of hours of service for which wages were paid by the  
41 employer to employees during the ~~[taxable]~~ **tax** year, by two thousand eighty;

42 (8) “Insourcing plan”, a written plan to carry out the establishment of a business unit in  
43 Missouri;

44 (9) “Taxpayer”, any ~~[individual, firm, partner in a firm,]~~ corporation~~[, partnership,~~  
45 ~~shareholder in an S corporation, or member of a limited liability company]~~ subject to the income  
46 tax imposed under ~~[this chapter, excluding withholding tax imposed under sections 143.191 to~~  
47 ~~143.265]~~ **sections 143.431 to 143.471.**

48 3. For all ~~[taxable]~~ **tax** years beginning on or after January 1, 2016, a taxpayer shall be  
49 allowed a deduction equal to fifty percent of the taxpayer’s eligible insourcing expenses in the  
50 ~~[taxable]~~ **tax** year chosen under subsection 5 of this section. The amount of the deduction  
51 claimed shall not exceed the amount of[:

52 ~~—— (1) For individuals, the taxpayer’s Missouri adjusted gross income for the taxable year~~  
53 ~~the deduction is claimed; and~~

54 ~~—— (2) For corporations,]~~ the taxpayer’s Missouri taxable income for the ~~[taxable]~~ **tax** year  
55 the deduction is claimed.

56

57 However, any amount of the deduction that cannot be claimed in the ~~[taxable]~~ **tax** year may be  
58 carried over to the next five succeeding ~~[taxable]~~ **tax** years until the full deduction has been  
59 claimed.

60 4. No deduction shall be allowed under this section until the department determines that  
61 the number of full-time equivalent employees of the taxpayer in the ~~[taxable]~~ **tax** year the  
62 deduction is claimed exceeds the number of full-time equivalent employees of the taxpayer in  
63 the ~~[taxable]~~ **tax** year prior to the taxpayer incurring any eligible insourcing expenses.

64 5. Only eligible insourcing expenses that occur in the ~~[taxable]~~ **tax** year such expenses  
65 are paid or incurred and:

66 (1) The taxpayer’s insourcing plan is completed; or

67 (2) The first ~~[taxable]~~ **tax** year after the taxpayer’s insourcing plan is completed;

68

69 shall be used to calculate the deduction allowed under this section.

70           6. Notwithstanding any other provision of law to the contrary, no deduction shall be  
71 allowed for any expenses incurred due to dissolving a business unit in Missouri and relocating  
72 such business unit to another state.

73           7. The total amount of deductions authorized under this section shall not exceed five  
74 million dollars in any ~~taxable~~ tax year. In the event that more than five million dollars in  
75 deductions are claimed in a ~~taxable~~ tax year, deductions shall be issued on a first-come,  
76 first-served filing basis.

77           8. A taxpayer who receives a deduction under the provisions of this section shall be  
78 ineligible to receive incentives under the provisions of any other state tax deduction program for  
79 the same expenses incurred.

80           9. Any taxpayer allowed a deduction under this section who, within ten years of  
81 receiving such deduction, eliminates the business unit for which the deduction was allowed shall  
82 repay the amount of tax savings realized from the deduction to the state, prorated by the number  
83 of years the business unit was in this state.

84           10. The department of economic development and the department of revenue shall  
85 promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as  
86 that term is defined in section 536.010, that is created under the authority delegated in this  
87 section shall become effective only if it complies with and is subject to all of the provisions of  
88 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable  
89 and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to  
90 delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
91 then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2016,  
92 shall be invalid and void.

93           11. Under section 23.253:

94           (1) The provisions of the new program authorized under this section shall automatically  
95 sunset six years after August 28, 2016, unless reauthorized by an act of the general assembly; and

96           (2) If such program is reauthorized, the program authorized under this section shall  
97 automatically sunset twelve years after the effective date of the reauthorization of this section;  
98 and

99           (3) This section shall terminate on September first of the calendar year immediately  
100 following the calendar year in which the program authorized under this section is sunset.

143.2100. 1. As used in sections 143.2100 to 143.2115, unless the context requires a  
2 different meaning, the following terms shall mean:

3           (1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross  
4 income to determine Missouri taxable income for the tax year in which such deduction is  
5 claimed;

6 (2) "Department", the department of economic development;  
 7 (3) "Director", the director of the department of economic development;  
 8 (4) "Taxpayer", a ~~[person, firm, partner in a firm, member of a limited liability company,~~  
 9 ~~corporation, or shareholder in an S]~~ corporation doing business in the state of Missouri and  
 10 subject to the state income tax imposed ~~[by the provisions of this chapter, or]~~ **under sections**  
 11 **143.431 to 143.471**; an insurance company paying an annual tax on its gross premium receipts  
 12 in this state, or other financial institution paying taxes to the state of Missouri or any political  
 13 subdivision of this state under the provisions of chapter 148[;] ; or an express company which  
 14 pays an annual tax on its gross receipts in this state under chapter 153.

15 2. Prior to March 1, 2018, and every two years thereafter, the department, with  
 16 information provided by the port authorities, airports, and the department of revenue, shall  
 17 provide a report on the deductions claimed under sections 143.2100 to 143.2115. Such report  
 18 shall include the following:

- 19 (1) The names and locations of participating companies;  
 20 (2) The annual amount of benefits provided;  
 21 (3) The estimated net state fiscal impact, including both direct and indirect new state  
 22 taxes derived from the program;  
 23 (4) The number of new jobs created;  
 24 (5) The average wages of each project; and  
 25 (6) The types of qualified companies using the program.

26 3. The department shall promulgate rules to implement the provisions of sections  
 27 143.2100 to 143.2115. Any rule or portion of a rule, as that term is defined in section 536.010,  
 28 that is created under the authority delegated in this section shall become effective only if it  
 29 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
 30 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the  
 31 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove  
 32 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
 33 and any rule proposed or adopted after August 28, 2016, shall be invalid and void.

2 ~~[135.010. As used in sections 135.010 to 135.030 the following words~~  
 3 ~~and terms mean:~~

- 4 ~~(1) "Claimant", a person or persons claiming a credit under sections~~  
 5 ~~135.010 to 135.030. If the persons are eligible to file a joint federal income tax~~  
 6 ~~return and reside at the same address at any time during the taxable year, then the~~  
 7 ~~credit may only be allowed if claimed on a combined Missouri income tax return~~  
 8 ~~or a combined claim return reporting their combined incomes and property taxes.~~  
 9 ~~A claimant shall not be allowed a property tax credit unless the claimant or~~  
 10 ~~spouse has attained the age of sixty-five on or before the last day of the calendar~~  
 year and the claimant or spouse was a resident of Missouri for the entire year, or

11 the claimant or spouse is a veteran of any branch of the Armed Forces of the  
12 United States or this state who became one hundred percent disabled as a result  
13 of such service, or the claimant or spouse is disabled as defined in subdivision (2)  
14 of this section, and such claimant or spouse provides proof of such disability in  
15 such form and manner, and at such times, as the director of revenue may require,  
16 or if the claimant has reached the age of sixty on or before the last day of the  
17 calendar year and such claimant received surviving spouse Social Security  
18 benefits during the calendar year and the claimant provides proof, as required by  
19 the director of revenue, that the claimant received surviving spouse Social  
20 Security benefits during the calendar year for which the credit will be claimed.  
21 A claimant shall not be allowed a property tax credit if the claimant filed a valid  
22 claim for a credit under section 137.106 in the year following the year for which  
23 the property tax credit is claimed. The residency requirement shall be deemed to  
24 have been fulfilled for the purpose of determining the eligibility of a surviving  
25 spouse for a property tax credit if a person of the age of sixty-five years or older  
26 who would have otherwise met the requirements for a property tax credit dies  
27 before the last day of the calendar year. The residency requirement shall also be  
28 deemed to have been fulfilled for the purpose of determining the eligibility of a  
29 claimant who would have otherwise met the requirements for a property tax  
30 credit but who dies before the last day of the calendar year;

31 ————— (2) "Disabled", the inability to engage in any substantial gainful activity  
32 by reason of any medically determinable physical or mental impairment which  
33 can be expected to result in death or which has lasted or can be expected to last  
34 for a continuous period of not less than twelve months. A claimant shall not be  
35 required to be gainfully employed prior to such disability to qualify for a property  
36 tax credit;

37 ————— (3) "Gross rent", amount paid by a claimant to a landlord for the rental,  
38 at arm's length, of a homestead during the calendar year, exclusive of charges for  
39 health and personal care services and food furnished as part of the rental  
40 agreement, whether or not expressly set out in the rental agreement. If the  
41 director of revenue determines that the landlord and tenant have not dealt at arm's  
42 length, and that the gross rent is excessive, then he shall determine the gross rent  
43 based upon a reasonable amount of rent. Gross rent shall be deemed to be paid  
44 only if actually paid prior to the date a return is filed. The director of revenue  
45 may prescribe regulations requiring a return of information by a landlord  
46 receiving rent, certifying for a calendar year the amount of gross rent received  
47 from a tenant claiming a property tax credit and shall, by regulation, provide a  
48 method for certification by the claimant of the amount of gross rent paid for any  
49 calendar year for which a claim is made. The regulations authorized by this  
50 subdivision may require a landlord or a tenant or both to provide data relating to  
51 health and personal care services and to food. Neither a landlord nor a tenant  
52 may be required to provide data relating to utilities, furniture, home furnishings  
53 or appliances;

54 ~~(4) "Homestead", the dwelling in Missouri owned or rented by the~~  
55 ~~claimant and not to exceed five acres of land surrounding it as is reasonably~~  
56 ~~necessary for use of the dwelling as a home. It may consist of part of a~~  
57 ~~multidwelling or multipurpose building and part of the land upon which it is~~  
58 ~~built. "Owned" includes a vendee in possession under a land contract and one or~~  
59 ~~more tenants by the entireties, joint tenants, or tenants in common and includes~~  
60 ~~a claimant actually in possession if he was the immediate former owner of record,~~  
61 ~~if a lineal descendant is presently the owner of record, and if the claimant actually~~  
62 ~~pays all taxes upon the property. It may include a mobile home;~~

63 ~~(5) "Income", Missouri adjusted gross income as defined in section~~  
64 ~~143.121 less two thousand dollars, or in the case of a homestead owned and~~  
65 ~~occupied, for the entire year, by the claimant, less four thousand dollars as an~~  
66 ~~exemption for the claimant's spouse residing at the same address, and increased,~~  
67 ~~where necessary, to reflect the following:~~

68 ~~(a) Social Security, railroad retirement, and veterans payments and~~  
69 ~~benefits unless the claimant is a one hundred percent service-connected, disabled~~  
70 ~~veteran or a spouse of a one hundred percent service-connected, disabled veteran.~~  
71 ~~The one hundred percent service-connected disabled veteran shall not be required~~  
72 ~~to list veterans payments and benefits;~~

73 ~~(b) The total amount of all other public and private pensions and~~  
74 ~~annuities;~~

75 ~~(c) Public relief, public assistance, and unemployment benefits received~~  
76 ~~in cash, other than benefits received under this chapter;~~

77 ~~(d) No deduction being allowed for losses not incurred in a trade or~~  
78 ~~business;~~

79 ~~(e) Interest on the obligations of the United States, any state, or any of~~  
80 ~~their subdivisions and instrumentalities;~~

81 ~~(6) "Property taxes accrued", property taxes paid, exclusive of special~~  
82 ~~assessments, penalties, interest, and charges for service levied on a claimant's~~  
83 ~~homestead in any calendar year. Property taxes shall qualify for the credit only~~  
84 ~~if actually paid prior to the date a return is filed. The director of revenue shall~~  
85 ~~require a tax receipt or other proof of property tax payment. If a homestead is~~  
86 ~~owned only partially by claimant, then "property taxes accrued" is that part of~~  
87 ~~property taxes levied on the homestead which was actually paid by the claimant.~~  
88 ~~For purposes of this subdivision, property taxes are "levied" when the tax roll is~~  
89 ~~delivered to the director of revenue for collection. If a claimant owns a~~  
90 ~~homestead part of the preceding calendar year and rents it or a different~~  
91 ~~homestead for part of the same year, "property taxes accrued" means only taxes~~  
92 ~~levied on the homestead both owned and occupied by the claimant, multiplied by~~  
93 ~~the percentage of twelve months that such property was owned and occupied as~~  
94 ~~the homestead of the claimant during the year. When a claimant owns and~~  
95 ~~occupies two or more different homesteads in the same calendar year, property~~  
96 ~~taxes accrued shall be the sum of taxes allocable to those several properties~~



97 occupied by the claimant as a homestead for the year. If a homestead is an  
 98 integral part of a larger unit such as a farm, or multipurpose or multidwelling  
 99 building, property taxes accrued shall be that percentage of the total property  
 100 taxes accrued as the value of the homestead is of the total value. For purposes  
 101 of this subdivision "unit" refers to the parcel of property covered by a single tax  
 102 statement of which the homestead is a part;

103 ~~(7) "Rent constituting property taxes accrued", twenty percent of the~~  
 104 ~~gross rent paid by a claimant and spouse in the calendar year.]~~  
 105

2 ~~[135.015. Procedural matters related to filing a claim under sections~~  
 3 ~~135.010 to 135.030, including refunds, deficiencies, interest, contents of returns,~~  
 4 ~~limitations, and penalties shall be determined pursuant to sections 143.481 to~~  
 5 ~~143.996 applicable to the income tax. The credit regarding the property taxes of~~  
 6 ~~a calendar year may only be claimed on a return for the calendar year or for a~~  
 7 ~~claimant's return for a fiscal year that includes the end of the calendar year.]~~

2 ~~[135.020. A credit for property taxes shall be allowed for the amount~~  
 3 ~~provided in section 135.030. If the amount allowable as a credit exceeds the~~  
 4 ~~income tax reduced by other credits, then the excess shall be considered an~~  
 5 ~~overpayment of the income tax.]~~

2 ~~[135.025. The property taxes accrued and rent constituting property taxes~~  
 3 ~~accrued on each return shall be totaled. This total, up to seven hundred fifty~~  
 4 ~~dollars in rent constituting property taxes actually paid or eleven hundred dollars~~  
 5 ~~in actual property tax paid, shall be used in determining the property tax credit.~~  
 6 ~~The director of revenue shall prescribe regulations providing for allocations~~  
 7 ~~where part of a claimant's homestead is rented to another or used for nondwelling~~  
 8 ~~purposes or where a homestead is owned or rented or used as a dwelling for part~~  
 9 ~~of a year.]~~

2 ~~[135.030. 1. As used in this section:~~

3 ~~(1) The term "maximum upper limit" shall, for each calendar year after~~  
 4 ~~December 31, 1997, but before calendar year 2008, be the sum of twenty-five~~  
 5 ~~thousand dollars. For all calendar years beginning on or after January 1, 2008,~~  
 6 ~~the maximum upper limit shall be the sum of twenty-seven thousand five hundred~~  
 7 ~~dollars. In the case of a homestead owned and occupied for the entire year by the~~  
 8 ~~claimant, the maximum upper limit shall be the sum of thirty thousand dollars;~~

9 ~~(2) The term "minimum base" shall, for each calendar year after~~  
 10 ~~December 31, 1997, but before calendar year 2008, be the sum of thirteen~~  
 11 ~~thousand dollars. For all calendar years beginning on or after January 1, 2008,~~  
 12 ~~the minimum base shall be the sum of fourteen thousand three hundred dollars.~~

13 ~~2. If the income on a return is equal to or less than the maximum upper~~  
~~limit for the calendar year for which the return is filed, the property tax credit~~

14 shall be determined from a table of credits based upon the amount by which the  
 15 total property tax described in section 135.025 exceeds the percent of income in  
 16 the following list:

17	<del>— If the income on the return</del>	<del>— The percent is:</del>
18	<del>is:</del>	
19	<del>— Not over the minimum base</del>	<del>— 0 percent with credit not to</del>
20		<del>exceed \$1,100 in actual</del>
21		<del>property tax or rent</del>
22		<del>equivalent paid up to \$750</del>
23	<del>— Over the minimum base but</del>	<del>— 1/16 percent accumulative</del>
24	<del>not over the maximum upper</del>	<del>per \$300 from 0 percent to 4</del>
25	<del>limit</del>	<del>percent.</del>

26  
 27 ~~— The director of revenue shall prescribe a table based upon the preceding~~  
 28 ~~sentences. The property tax shall be in increments of twenty-five dollars and the~~  
 29 ~~income in increments of three hundred dollars. The credit shall be the amount~~  
 30 ~~rounded to the nearest whole dollar computed on the basis of the property tax and~~  
 31 ~~income at the midpoints of each increment. As used in this subsection, the term~~  
 32 ~~"accumulative" means an increase by continuous or repeated application of the~~  
 33 ~~percent to the income increment at each three hundred dollar level.~~

34 ~~— 3. Notwithstanding subsection 4 of section 32.057, the department of~~  
 35 ~~revenue or any duly authorized employee or agent shall determine whether any~~  
 36 ~~taxpayer filing a report or return with the department of revenue who has not~~  
 37 ~~applied for the credit allowed pursuant to section 135.020 may qualify for the~~  
 38 ~~credit, and shall notify any qualified claimant of the claimant's potential~~  
 39 ~~eligibility, where the department determines such potential eligibility exists.]~~

40  
 2 [135.035. Sections 135.010, 135.015, 135.025, and 135.030 shall be  
 3 effective with respect to claims filed for the calendar year 1975 and thereafter.]

[135.090. 1. As used in this section, the following terms mean:

2 ~~— (1) "Homestead", the dwelling in Missouri owned by the surviving~~  
 3 ~~spouse and not exceeding five acres of land surrounding it as is reasonably~~  
 4 ~~necessary for use of the dwelling as a home. As used in this section, "homestead"~~  
 5 ~~shall not include any dwelling which is occupied by more than two families;~~

6 ~~— (2) "Public safety officer", any firefighter, police officer, capitol police~~  
 7 ~~officer, parole officer, probation officer, correctional employee, water patrol~~  
 8 ~~officer, park ranger, conservation officer, commercial motor enforcement officer,~~  
 9 ~~emergency medical technician, first responder, or highway patrolman employed~~  
 10 ~~by the state of Missouri or a political subdivision thereof who is killed in the line~~  
 11 ~~of duty, unless the death was the result of the officer's own misconduct or abuse~~  
 12 ~~of alcohol or drugs;~~

13 ~~————— (3) "Surviving spouse", a spouse, who has not remarried, of a public~~  
 14 ~~safety officer.~~

15 ~~————— 2. For all tax years beginning on or after January 1, 2008, a surviving~~  
 16 ~~spouse shall be allowed a credit against the tax otherwise due under chapter 143,~~  
 17 ~~excluding withholding tax imposed by sections 143.191 to 143.265, in an amount~~  
 18 ~~equal to the total amount of the property taxes on the surviving spouse's~~  
 19 ~~homestead paid during the tax year for which the credit is claimed. A surviving~~  
 20 ~~spouse may claim the credit authorized under this section for each tax year~~  
 21 ~~beginning the year of death of the public safety officer spouse until the tax year~~  
 22 ~~in which the surviving spouse remarries. No credit shall be allowed for the tax~~  
 23 ~~year in which the surviving spouse remarries. If the amount allowable as a credit~~  
 24 ~~exceeds the income tax reduced by other credits, then the excess shall be~~  
 25 ~~considered an overpayment of the income tax.~~

26 ~~————— 3. The department of revenue shall promulgate rules to implement the~~  
 27 ~~provisions of this section.~~

28 ~~————— 4. Any rule or portion of a rule, as that term is defined in section 536.010,~~  
 29 ~~that is created under the authority delegated in this section shall become effective~~  
 30 ~~only if it complies with and is subject to all of the provisions of chapter 536 and,~~  
 31 ~~if applicable, section 536.028. This section and chapter 536 are nonseverable and~~  
 32 ~~if any of the powers vested with the general assembly pursuant to chapter 536 to~~  
 33 ~~review, to delay the effective date, or to disapprove and annul a rule are~~  
 34 ~~subsequently held unconstitutional, then the grant of rulemaking authority and~~  
 35 ~~any rule proposed or adopted after August 28, 2007, shall be invalid and void.~~

36 ~~————— 5. Pursuant to section 23.253 of the Missouri sunset act:~~

37 ~~————— (1) The program authorized under this section shall expire on December~~  
 38 ~~31, 2019, unless reauthorized by the general assembly; and~~

39 ~~————— (2) This section shall terminate on September first of the calendar year~~  
 40 ~~immediately following the calendar year in which the program authorized under~~  
 41 ~~this section is sunset; and~~

42 ~~————— (3) The provisions of this subsection shall not be construed to limit or in~~  
 43 ~~any way impair the department's ability to redeem tax credits authorized on or~~  
 44 ~~before the date the program authorized under this section expires or a taxpayer's~~  
 45 ~~ability to redeem such tax credits.]~~

46

2 ~~[135.096. 1. In order to promote personal financial responsibility for~~  
 3 ~~long-term health care in this state, for all taxable years beginning after December~~  
 4 ~~31, 1999, a resident individual may deduct from such individual's Missouri~~  
 5 ~~taxable income an amount equal to fifty percent of all nonreimbursed amounts~~  
 6 ~~paid by such individual for qualified long-term care insurance premiums to the~~  
 7 ~~extent such amounts are not included the individual's itemized deductions. For~~  
 8 ~~all taxable years beginning after December 31, 2006, a resident individual may~~  
 9 ~~deduct from each individual's Missouri taxable income an amount equal to one~~  
 10 ~~hundred percent of all nonreimbursed amounts paid by such individuals for~~

10 qualified long-term care insurance premiums to the extent such amounts are not  
 11 included in the individual's itemized deductions. A married individual filing a  
 12 Missouri income tax return separately from his or her spouse shall be allowed to  
 13 make a deduction pursuant to this section in an amount equal to the proportion  
 14 of such individual's payment of all qualified long-term care insurance premiums.  
 15 The director of the department of revenue shall place a line on all Missouri  
 16 individual income tax returns for the deduction created by this section.

17 ~~2. For purposes of this section, "qualified long-term care insurance"~~  
 18 ~~means any policy which meets or exceeds the provisions of sections 376.1100 to~~  
 19 ~~376.1118 and the rules and regulations promulgated pursuant to such sections for~~  
 20 ~~long-term care insurance.~~

21 ~~3. Notwithstanding any other provision of law to the contrary, two or~~  
 22 ~~more insurers issuing a qualified long-term care insurance policy shall not act in~~  
 23 ~~concert with each other and with others with respect to any matters pertaining to~~  
 24 ~~the making of rates or rating systems.]~~

25  
 2 [135.562. 1. If any taxpayer with a federal adjusted gross income of  
 3 thirty thousand dollars or less incurs costs for the purpose of making all or any  
 4 portion of such taxpayer's principal dwelling accessible to an individual with a  
 5 disability who permanently resides with the taxpayer, such taxpayer shall receive  
 6 a tax credit against such taxpayer's Missouri income tax liability in an amount  
 7 equal to the lesser of one hundred percent of such costs or two thousand five  
 8 hundred dollars per taxpayer, per tax year.

9 ~~2. Any taxpayer with a federal adjusted gross income greater than thirty~~  
 10 ~~thousand dollars but less than sixty thousand dollars who incurs costs for the~~  
 11 ~~purpose of making all or any portion of such taxpayer's principal dwelling~~  
 12 ~~accessible to an individual with a disability who permanently resides with the~~  
 13 ~~taxpayer shall receive a tax credit against such taxpayer's Missouri income tax~~  
 14 ~~liability in an amount equal to the lesser of fifty percent of such costs or two~~  
 15 ~~thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be~~  
 16 ~~eligible to receive tax credits under this section in any tax year immediately~~  
 17 ~~following a tax year in which such taxpayer received tax credits under the~~  
 18 ~~provisions of this section.~~

19 ~~3. Tax credits issued pursuant to this section may be refundable in an~~  
 20 ~~amount not to exceed two thousand five hundred dollars per tax year.~~

21 ~~4. Eligible costs for which the credit may be claimed include:~~

- 22 ~~(1) Constructing entrance or exit ramps;~~
- 23 ~~(2) Widening exterior or interior doorways;~~
- 24 ~~(3) Widening hallways;~~
- 25 ~~(4) Installing handrails or grab bars;~~
- 26 ~~(5) Moving electrical outlets and switches;~~
- ~~(6) Installing stairway lifts;~~

27 ~~————— (7) Installing or modifying fire alarms, smoke detectors, and other~~  
 28 ~~alerting systems;~~

29 ~~————— (8) Modifying hardware of doors; or~~

30 ~~————— (9) Modifying bathrooms.~~

31 ~~————— 5. The tax credits allowed, including the maximum amount that may be~~  
 32 ~~claimed, pursuant to this section shall be reduced by an amount sufficient to~~  
 33 ~~offset any amount of such costs a taxpayer has already deducted from such~~  
 34 ~~taxpayer's federal adjusted gross income or to the extent such taxpayer has~~  
 35 ~~applied any other state or federal income tax credit to such costs.~~

36 ~~————— 6. A taxpayer shall claim a credit allowed by this section in the same~~  
 37 ~~taxable year as the credit is issued, and at the time such taxpayer files his or her~~  
 38 ~~Missouri income tax return; provided that such return is timely filed.~~

39 ~~————— 7. The department may, in consultation with the department of social~~  
 40 ~~services, promulgate such rules or regulations as are necessary to administer the~~  
 41 ~~provisions of this section. Any rule or portion of a rule, as that term is defined~~  
 42 ~~in section 536.010, that is created under the authority delegated in this section~~  
 43 ~~shall become effective only if it complies with and is subject to all of the~~  
 44 ~~provisions of chapter 536 and, if applicable, section 536.028. This section and~~  
 45 ~~chapter 536 are nonseverable and if any of the powers vested with the general~~  
 46 ~~assembly pursuant to chapter 536 to review, to delay the effective date or to~~  
 47 ~~disapprove and annul a rule are subsequently held unconstitutional, then the grant~~  
 48 ~~of rulemaking authority and any rule proposed or adopted after August 28, 2007,~~  
 49 ~~shall be invalid and void.~~

50 ~~————— 8. The provisions of this section shall apply to all tax years beginning on~~  
 51 ~~or after January 1, 2008.~~

52 ~~————— 9. The provisions of this section shall expire December 31, 2019, unless~~  
 53 ~~reauthorized by the general assembly. This section shall terminate on September~~  
 54 ~~first of the calendar year immediately following the calendar year in which the~~  
 55 ~~program authorized under this section is sunset. The provisions of this~~  
 56 ~~subsection shall not be construed to limit or in any way impair the department's~~  
 57 ~~ability to redeem tax credits authorized on or before the date the program~~  
 58 ~~authorized under this section expires or a taxpayer's ability to redeem such tax~~  
 59 ~~credits.~~

60 ~~————— 10. In no event shall the aggregate amount of all tax credits allowed~~  
 61 ~~pursuant to this section exceed one hundred thousand dollars in any given fiscal~~  
 62 ~~year. The tax credits issued pursuant to this section shall be on a first-come,~~  
 63 ~~first-served filing basis.]~~

64 ~~————— [135.575. 1. As used in this section, the following terms mean:-~~

2 ~~————— (1) "Missouri health care access fund", the fund created in section~~  
 3 ~~191.1056;-~~

4 ~~————— (2) "Tax credit", a credit against the tax otherwise due under chapter 143,~~  
 5 ~~excluding withholding tax imposed by sections 143.191 to 143.265;-~~

6 ~~\_\_\_\_\_ (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,~~  
 7 ~~excluding withholding tax imposed by sections 143.191 to 143.265.~~

8 ~~\_\_\_\_\_ 2. The provisions of this section shall be subject to section 33.282. For~~  
 9 ~~all taxable years beginning on or after January 1, 2007, a taxpayer shall be~~  
 10 ~~allowed a tax credit for donations in excess of one hundred dollars made to the~~  
 11 ~~Missouri health care access fund. The tax credit shall be subject to annual~~  
 12 ~~approval by the senate appropriations committee and the house budget~~  
 13 ~~committee. The tax credit amount shall be equal to one-half of the total donation~~  
 14 ~~made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the~~  
 15 ~~credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's~~  
 16 ~~state tax liability for the tax year for which the credit is claimed, the difference~~  
 17 ~~shall not be refundable but may be carried forward to any of the taxpayer's next~~  
 18 ~~four taxable years. No tax credit granted under this section shall be transferred,~~  
 19 ~~sold, or assigned. The cumulative amount of tax credits which may be issued~~  
 20 ~~under this section in any one fiscal year shall not exceed one million dollars.~~

21 ~~\_\_\_\_\_ 3. The department of revenue may promulgate rules to implement the~~  
 22 ~~provisions of this section. Any rule or portion of a rule, as that term is defined~~  
 23 ~~in section 536.010, that is created under the authority delegated in this section~~  
 24 ~~shall become effective only if it complies with and is subject to all of the~~  
 25 ~~provisions of chapter 536 and, if applicable, section 536.028. This section and~~  
 26 ~~chapter 536 are nonseverable and if any of the powers vested with the general~~  
 27 ~~assembly pursuant to chapter 536 to review, to delay the effective date, or to~~  
 28 ~~disapprove and annul a rule are subsequently held unconstitutional, then the grant~~  
 29 ~~of rulemaking authority and any rule proposed or adopted after August 28, 2007,~~  
 30 ~~shall be invalid and void.~~

31 ~~\_\_\_\_\_ 4. Pursuant to section 23.253 of the Missouri sunset act:~~

32 ~~\_\_\_\_\_ (1) The provisions of the new program authorized under this section shall~~  
 33 ~~automatically sunset six years after August 28, 2007, unless reauthorized by an~~  
 34 ~~act of the general assembly; and~~

35 ~~\_\_\_\_\_ (2) If such program is reauthorized, the program authorized under this~~  
 36 ~~section shall automatically sunset twelve years after the effective date of the~~  
 37 ~~reauthorization of this section; and~~

38 ~~\_\_\_\_\_ (3) This section shall terminate on September first of the calendar year~~  
 39 ~~immediately following the calendar year in which the program authorized under~~  
 40 ~~this section is sunset.]~~

41

2 ~~[143.021. Every resident having a taxable income shall determine his or~~  
 3 ~~her tax from the rates provided in section 143.011. There shall be no tax on a~~  
 4 ~~taxable income of less than one hundred dollars.]~~

4

2 ~~[143.081. 1. A resident individual, resident estate, and resident trust shall~~  
 3 ~~be allowed a credit against the tax otherwise due pursuant to sections 143.005 to~~  
 3 ~~143.998 for the amount of any income tax imposed for the taxable year by~~

4 another state of the United States (or a political subdivision thereof) or the  
 5 District of Columbia on income derived from sources therein and which is also  
 6 subject to tax pursuant to sections 143.005 to 143.998. For purposes of this  
 7 subsection, the phrase "income tax imposed" shall be that amount of tax before  
 8 any income tax credit allowed by such other state or the District of Columbia if  
 9 the other state or the District of Columbia authorizes a reciprocal benefit for  
 10 residents of this state.

11 ~~2. The credit provided pursuant to this section shall not exceed an~~  
 12 ~~amount which bears the same ratio to the tax otherwise due pursuant to sections~~  
 13 ~~143.005 to 143.998 as the amount of the taxpayer's Missouri adjusted gross~~  
 14 ~~income derived from sources in the other taxing jurisdiction bears to the~~  
 15 ~~taxpayer's Missouri adjusted gross income derived from all sources. In applying~~  
 16 ~~the limitation of the previous sentence to an estate or trust, Missouri taxable~~  
 17 ~~income shall be substituted for Missouri adjusted gross income. If the tax of~~  
 18 ~~more than one other taxing jurisdiction is imposed on the same item of income,~~  
 19 ~~the credit shall not exceed the limitation that would result if the taxes of all the~~  
 20 ~~other jurisdictions applicable to the item were deemed to be of a single~~  
 21 ~~jurisdiction.~~

22 ~~3. For the purposes of this section, in the case of an S corporation, each~~  
 23 ~~resident S shareholder shall be considered to have paid a tax imposed on the~~  
 24 ~~shareholder in an amount equal to the shareholder's pro rata share of any net~~  
 25 ~~income tax paid by the S corporation to a state which does not measure the~~  
 26 ~~income of shareholders on an S corporation by reference to the income of the S~~  
 27 ~~corporation or where a composite return and composite payments are made in~~  
 28 ~~such state on behalf of the S shareholders by the S corporation.~~

29 ~~4. For purposes of subsection 3 of this section, in the case of an S~~  
 30 ~~corporation that is a bank chartered by a state, the Office of Thrift Supervision,~~  
 31 ~~or the comptroller of currency, each Missouri resident S shareholder of such~~  
 32 ~~out-of-state bank shall qualify for the shareholder's pro rata share of any net tax~~  
 33 ~~paid, including a bank franchise tax based on the income of the bank, by such S~~  
 34 ~~corporation where bank payment of taxes are made in such state on behalf of the~~  
 35 ~~S shareholders by the S bank to the extent of the tax paid.]~~

36  
 2 [143.106. 1. Notwithstanding the provisions of section 143.171, to the  
 3 contrary, a taxpayer shall be allowed a deduction for his federal income tax  
 4 liability under chapter 1 of the Internal Revenue Code for the same taxable year  
 5 for which the Missouri return is being filed after reduction for all credits thereon,  
 6 except the credit for payments of federal estimated tax, the credit for the  
 7 overpayment of any federal tax, and the credits allowed by the Internal Revenue  
 8 Code by section 31 (tax withheld on wages), section 27 (tax of foreign country  
 9 and United States possessions), and section 34 (tax on certain uses of gasoline,  
 special fuels, and lubricating oils):

10 ~~2. If a federal income tax liability for a tax year prior to the applicability~~  
 11 ~~of sections 143.011 to 143.996 for which he was not previously entitled to a~~  
 12 ~~Missouri deduction is later paid or accrued, he may deduct the federal tax in the~~  
 13 ~~later year to the extent it would have been deductible if paid or accrued in the~~  
 14 ~~prior year.]~~  
 15

2 ~~[143.113. 1. For all taxable years beginning on or after January 1, 2000,~~  
 3 ~~an individual taxpayer who is an employee within the meaning of Section~~  
 4 ~~401(c)(1) of the Internal Revenue Code of 1986, as amended, shall be allowed to~~  
 5 ~~subtract from the taxpayer's Missouri adjusted gross income to determine~~  
 6 ~~Missouri taxable income an amount equal to the amount which the taxpayer has~~  
 7 ~~paid during the taxable year for insurance which constitutes medical care for the~~  
 8 ~~taxpayer, the taxpayer's spouse, and dependents to the extent that such amounts~~  
 9 ~~qualify as deductible pursuant to Section 162(f) of the Internal Revenue Code of~~  
 10 ~~1986, as amended, for the same taxable year, and shall only be deductible to the~~  
 11 ~~extent that such amounts are not deducted on the taxpayer's federal income tax~~  
 12 ~~return for that taxable year.~~

12 ~~2. The director of the department of revenue shall promulgate rules and~~  
 13 ~~regulations to administer the provisions of this section. No rule or portion of a~~  
 14 ~~rule promulgated pursuant to the authority of this section shall become effective~~  
 15 ~~unless it has been promulgated pursuant to the provisions of chapter 536.]~~  
 16

2 ~~[143.114. 1. As used in this section, the following terms mean:~~  
 3 ~~(1) "Commercial domicile", the principal place from which the trade or~~  
 4 ~~business of the taxpayer is directed or managed;~~  
 5 ~~(2) "Deduction", an amount subtracted from the taxpayer's Missouri~~  
 6 ~~adjusted gross income to determine Missouri taxable income for the tax year in~~  
 7 ~~which such deduction is claimed;~~  
 8 ~~(3) "Employer securities", the same meaning as defined under Section~~  
 9 ~~409(f) of the Internal Revenue Code;~~  
 10 ~~(4) "Missouri corporation", a corporation whose commercial domicile is~~  
 11 ~~in this state;~~  
 12 ~~(5) "Qualified Missouri employee stock ownership plan", an employee~~  
 13 ~~stock ownership plan, as defined under Section 4975(e)(7) of the Internal~~  
 14 ~~Revenue Code, and trust that is established by a Missouri corporation for the~~  
 15 ~~benefit of the employees of the corporation;~~  
 16 ~~(6) "Taxpayer", an individual, firm, partner in a firm, corporation,~~  
 17 ~~partnership, shareholder in an S corporation, or member of a limited liability~~  
 18 ~~company subject to the income tax imposed under chapter 143, excluding~~  
 19 ~~withholding tax imposed by sections 143.191 to 143.265.~~

20 ~~2. For all tax years beginning on or after January 1, 2017, in addition to~~  
 21 ~~all other modifications allowed by law, a taxpayer shall be allowed a deduction~~  
 22 ~~from the taxpayer's federal adjusted gross income when determining Missouri~~



22 adjusted gross income in an amount equal to fifty percent of the net capital gain  
23 from the sale or exchange of employer securities of a Missouri corporation to a  
24 qualified Missouri employee stock ownership plan if, upon completion of the  
25 transaction, the qualified Missouri employee stock ownership plan owns at least  
26 thirty percent of all outstanding employer securities issued by the Missouri  
27 corporation.

28 ~~3. Whenever an employee leaves a Missouri corporation with a qualified  
29 Missouri employee stock ownership plan, the Missouri corporation shall inform  
30 the former employee of the deadline for when the former employee shall decide  
31 whether they will receive their shares of employer securities or compensation for  
32 their shares of employer securities.~~

33 ~~4. The department of revenue may promulgate rules and regulations for  
34 the administration of this section. Any rule or portion of a rule, as that term is  
35 defined in section 536.010, that is created under the authority delegated in this  
36 section shall become effective only if it complies with and is subject to all of the  
37 provisions of chapter 536 and, if applicable, section 536.028. This section and  
38 chapter 536 are nonseverable and if any of the powers vested with the general  
39 assembly pursuant to chapter 536 to review, to delay the effective date, or to  
40 disapprove and annul a rule are subsequently held unconstitutional, then the grant  
41 of rulemaking authority and any rule proposed or adopted after August 28, 2016,  
42 shall be invalid and void.~~

43 ~~5. Under section 23.253 of the Missouri sunset act:~~

44 ~~(1) The provisions of the new program authorized under this section shall  
45 automatically sunset on December thirty-first, six years after October 14, 2016,  
46 unless reauthorized by an act of the general assembly;~~

47 ~~(2) If such program is reauthorized, the program authorized under this  
48 section shall automatically sunset on December thirty-first, twelve years after the  
49 effective date of the reauthorization of this section; and~~

50 ~~(3) This section shall terminate on September first of the calendar year  
51 immediately following the calendar year in which the program authorized under  
52 this section is sunset.]~~

53  
2 [143.118. 1. For all taxable years beginning on or after January 1, 2007,  
3 an individual taxpayer shall be allowed to subtract from the taxpayer's Missouri  
4 adjusted gross income to determine Missouri taxable income an amount equal to  
5 the amount which the taxpayer has paid during the taxable year as a member of  
6 a health care sharing ministry as defined in section 376.1750 and shall only be  
7 deductible to the extent that such amounts are not deducted on the taxpayer's  
8 federal income tax return for that taxable year.

8 ~~2. The director of the department of revenue shall promulgate rules and  
9 regulations to administer the provisions of this section. Any rule or portion of a  
10 rule, as that term is defined in section 536.010, that is created under the authority  
11 delegated in this section shall become effective only if it complies with and is~~

12 subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
13 This section and chapter 536 are nonseverable and if any of the powers vested  
14 with the general assembly pursuant to chapter 536 to review, to delay the  
15 effective date, or to disapprove and annul a rule are subsequently held  
16 unconstitutional, then the grant of rulemaking authority and any rule proposed or  
17 adopted after August 28, 2007, shall be invalid and void.]  
18

2 [143.119. 1. A self-employed taxpayer, as such term is used in the  
3 federal internal revenue code, who is otherwise ineligible for the federal income  
4 tax health insurance deduction under Section 162 of the federal internal revenue  
5 code shall be entitled to a credit against the tax otherwise due under this chapter,  
6 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount  
7 equal to the portion of such taxpayer's federal tax liability incurred due to such  
8 taxpayer's inclusion of such payments in federal adjusted gross income. The tax  
9 credits authorized under this section shall be nontransferable. To the extent tax  
10 credit issued under this section exceeds a taxpayer's state income tax liability,  
11 such excess shall be considered an overpayment of tax and shall be refunded to  
12 the taxpayer.

13 ~~2. The director of the department of revenue shall promulgate rules and  
14 regulations to administer the provisions of this section. Any rule or portion of a  
15 rule, as that term is defined in section 536.010, that is created under the authority  
16 delegated in this section shall become effective only if it complies with and is  
17 subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
18 This section and chapter 536 are nonseverable and if any of the powers vested  
19 with the general assembly pursuant to chapter 536 to review, to delay the  
20 effective date, or to disapprove and annul a rule are subsequently held  
21 unconstitutional, then the grant of rulemaking authority and any rule proposed or  
22 adopted after August 28, 2007, shall be invalid and void.]~~

2 [143.123. Any six thousand dollar subtraction provided by law for  
3 annuities, pensions, and retirement allowances in total per taxpayer, as hereafter  
4 provided by subsequent law, shall be implemented in a maximum amount of six  
5 thousand dollars per year, or three thousand dollars for a six month period.]

2 [143.124. 1. Other provisions of law to the contrary notwithstanding, for  
3 tax years ending on or before December 31, 2006, the total amount of all  
4 annuities, pensions, or retirement allowances above the amount of six thousand  
5 dollars annually provided by any law of this state, the United States, or any other  
6 state to any person except as provided in subsection 4 of this section, shall be  
7 subject to tax pursuant to the provisions of this chapter, in the same manner, to  
8 the same extent and under the same conditions as any other taxable income  
9 received by the person receiving it. For purposes of this section, "annuity,  
pension, retirement benefit, or retirement allowance" shall be defined as an

10 annuity, pension or retirement allowance provided by the United States, this state,  
11 any other state or any political subdivision or agency or institution of this or any  
12 other state. For all tax years beginning on or after January 1, 1998, for purposes  
13 of this section, annuity, pension or retirement allowance shall be defined to  
14 include 401(k) plans, deferred compensation plans, self-employed retirement  
15 plans, also known as Keogh plans, annuities from a defined pension plan and  
16 individual retirement arrangements, also known as IRAs, as described in the  
17 Internal Revenue Code, but not including Roth IRAs, as well as an annuity,  
18 pension or retirement allowance provided by the United States, this state, any  
19 other state or any political subdivision or agency or institution of this or any other  
20 state. An individual taxpayer shall only be allowed a maximum deduction equal  
21 to the amounts provided under this section for each taxpayer on the combined  
22 return.

23 ~~2. For the period beginning July 1, 1989, and ending December 31, 1989,~~  
24 ~~there shall be subtracted from Missouri adjusted gross income for that period,~~  
25 ~~determined pursuant to section 143.121, the first three thousand dollars of~~  
26 ~~retirement benefits received by each taxpayer:~~

27 ~~(1) If the taxpayer's filing status is single, head of household or qualifying~~  
28 ~~widow(er) and the taxpayer's Missouri adjusted gross income is less than twelve~~  
29 ~~thousand five hundred dollars; or~~

30 ~~(2) If the taxpayer's filing status is married filing combined and their~~  
31 ~~combined Missouri adjusted gross income is less than sixteen thousand dollars;~~  
32 ~~or~~

33 ~~(3) If the taxpayer's filing status is married filing separately and the~~  
34 ~~taxpayer's Missouri adjusted gross income is less than eight thousand dollars.~~

35 ~~3. For the tax years beginning on or after January 1, 1990, but ending on~~  
36 ~~or before December 31, 2006, there shall be subtracted from Missouri adjusted~~  
37 ~~gross income, determined pursuant to section 143.121, a maximum of the first six~~  
38 ~~thousand dollars of retirement benefits received by each taxpayer from sources~~  
39 ~~other than privately funded sources, and for tax years beginning on or after~~  
40 ~~January 1, 1998, there shall be subtracted from Missouri adjusted gross income,~~  
41 ~~determined pursuant to section 143.121, a maximum of the first one thousand~~  
42 ~~dollars of any retirement allowance received from any privately funded source for~~  
43 ~~tax years beginning on or after January 1, 1998, but before January 1, 1999, and~~  
44 ~~a maximum of the first three thousand dollars of any retirement allowance~~  
45 ~~received from any privately funded source for tax years beginning on or after~~  
46 ~~January 1, 1999, but before January 1, 2000, and a maximum of the first four~~  
47 ~~thousand dollars of any retirement allowance received from any privately funded~~  
48 ~~source for tax years beginning on or after January 1, 2000, but before January 1,~~  
49 ~~2001, and a maximum of the first five thousand dollars of any retirement~~  
50 ~~allowance received from any privately funded source for tax years beginning on~~  
51 ~~or after January 1, 2001, but before January 1, 2002, and a maximum of the first~~  
52 ~~six thousand dollars of any retirement allowance received from any privately~~

53 funded sources for tax years beginning on or after January 1, 2002. A taxpayer  
54 shall be entitled to the maximum exemption provided by this subsection:

55 ~~————— (1) If the taxpayer's filing status is single, head of household or qualifying~~  
56 ~~widow(er) and the taxpayer's Missouri adjusted gross income is less than~~  
57 ~~twenty-five thousand dollars; or~~

58 ~~————— (2) If the taxpayer's filing status is married filing combined and their~~  
59 ~~combined Missouri adjusted gross income is less than thirty-two thousand~~  
60 ~~dollars; or~~

61 ~~————— (3) If the taxpayer's filing status is married filing separately and the~~  
62 ~~taxpayer's Missouri adjusted gross income is less than sixteen thousand dollars.~~

63 ~~————— 4. If a taxpayer's adjusted gross income exceeds the adjusted gross~~  
64 ~~income ceiling for such taxpayer's filing status, as provided in subdivisions (1),~~  
65 ~~(2) and (3) of subsection 3 of this section, such taxpayer shall be entitled to an~~  
66 ~~exemption equal to the greater of zero or the maximum exemption provided in~~  
67 ~~subsection 3 of this section reduced by one dollar for every dollar such taxpayer's~~  
68 ~~income exceeds the ceiling for his or her filing status.~~

69 ~~————— 5. For purposes of this subsection, the term "maximum Social Security~~  
70 ~~benefit available" shall mean thirty-two thousand five hundred dollars for the tax~~  
71 ~~year beginning on or after January 1, 2007, and for each subsequent tax year such~~  
72 ~~amount shall be increased by the percentage increase in the Consumer Price~~  
73 ~~Index for All Urban Consumers, or its successor index, as such index is defined~~  
74 ~~and officially reported by the United States Department of Labor, or its successor~~  
75 ~~agency. For the tax year beginning on or after January 1, 2007, but ending on or~~  
76 ~~before December 31, 2007, there shall be subtracted from Missouri adjusted gross~~  
77 ~~income, determined pursuant to section 143.121, a maximum of an amount equal~~  
78 ~~to the greater of: six thousand dollars in retirement benefits received from~~  
79 ~~sources other than privately funded sources, to the extent such benefits are~~  
80 ~~included in the taxpayer's federal adjusted gross income; or twenty percent of the~~  
81 ~~retirement benefits received from sources other than privately funded sources in~~  
82 ~~the tax year, but not to exceed the maximum Social Security benefit available for~~  
83 ~~such tax year. For the tax year beginning on or after January 1, 2008, but ending~~  
84 ~~on or before December 31, 2008, there shall be subtracted from Missouri adjusted~~  
85 ~~gross income, determined pursuant to section 143.121, a maximum of an amount~~  
86 ~~equal to the greater of: six thousand dollars in retirement benefits received from~~  
87 ~~sources other than privately funded sources, to the extent such benefits are~~  
88 ~~included in the taxpayer's federal adjusted gross income; or thirty-five percent of~~  
89 ~~the retirement benefits received from sources other than privately funded sources~~  
90 ~~in the tax year, but not to exceed the maximum Social Security benefit available~~  
91 ~~for such tax year. For the tax year beginning on or after January 1, 2009, but~~  
92 ~~ending on or before December 31, 2009, there shall be subtracted from Missouri~~  
93 ~~adjusted gross income, determined pursuant to section 143.121, a maximum of~~  
94 ~~an amount equal to the greater of: six thousand dollars in retirement benefits~~  
95 ~~received from sources other than privately funded sources, to the extent such~~

benefits are included in the taxpayer's federal adjusted gross income; or fifty percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. For the tax year beginning on or after January 1, 2010, but ending on or before December 31, 2010, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in retirement benefits received from sources other than privately funded sources, to the extent such benefits are included in the taxpayer's federal adjusted gross income; or sixty-five percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. For the tax year beginning on or after January 1, 2011, but ending on or before December 31, 2011, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in retirement benefits received from sources other than privately funded sources, to the extent such benefits are included in the taxpayer's federal adjusted gross income; or eighty percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. For all tax years beginning on or after January 1, 2012, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to one hundred percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. A taxpayer shall be entitled to the maximum exemption provided by this subsection:

————— (1) If the taxpayer's filing status is married filing combined, and their combined Missouri adjusted gross income is equal to or less than one hundred thousand dollars; or

————— (2) If the taxpayer's filing status is single, head of household, qualifying widow(er), or married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or less than eighty-five thousand dollars.

————— 6. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for such taxpayer's filing status, as provided in subdivisions (1) and (2) of subsection 5 of this section, such taxpayer shall be entitled to an exemption, less any applicable reduction provided under subsection 7 of this section, equal to the greater of zero or the maximum exemption provided in subsection 5 of this section reduced by one dollar for every dollar such taxpayer's income exceeds the ceiling for his or her filing status.

————— 7. For purposes of calculating the subtraction provided in subsection 5 of this section, such subtraction shall be decreased by an amount equal to any Social Security benefit exemption provided under section 143.125.

139 ~~8. For purposes of this section, any Social Security benefits otherwise~~  
140 ~~included in Missouri adjusted gross income shall be subtracted; but Social~~  
141 ~~Security benefits shall not be subtracted for purposes of other computations~~  
142 ~~pursuant to this chapter, and are not to be considered as retirement benefits for~~  
143 ~~purposes of this section.~~

144 ~~9. The provisions of subdivisions (1) and (2) of subsection 3 of this~~  
145 ~~section shall apply during all tax years in which the federal Internal Revenue~~  
146 ~~Code provides exemption levels for calculation of the taxability of Social~~  
147 ~~Security benefits that are the same as the levels in subdivisions (1) and (2) of~~  
148 ~~subsection 3 of this section. If the exemption levels for the calculation of the~~  
149 ~~taxability of Social Security benefits are adjusted by applicable federal law or~~  
150 ~~regulation, the exemption levels in subdivisions (1) and (2) of subsection 3 of this~~  
151 ~~section shall be accordingly adjusted to the same exemption levels.~~

152 ~~10. The portion of a taxpayer's lump sum distribution from an annuity or~~  
153 ~~other retirement plan not otherwise included in Missouri adjusted gross income~~  
154 ~~as calculated pursuant to this chapter but subject to taxation under Internal~~  
155 ~~Revenue Code Section 402 shall be taxed in an amount equal to ten percent of the~~  
156 ~~taxpayer's federal liability on such distribution for the same tax year.~~

157 ~~11. For purposes of this section, retirement benefits received shall not~~  
158 ~~include any withdrawals from qualified retirement plans which are subsequently~~  
159 ~~rolled over into another retirement plan.~~

160 ~~12. The exemptions provided for in this section shall not affect the~~  
161 ~~calculation of the income to be used to determine the property tax credit provided~~  
162 ~~in sections 135.010 to 135.035.~~

163 ~~13. The exemptions provided for in this section shall apply to any~~  
164 ~~annuity, pension, or retirement allowance as defined in subsection 1 of this~~  
165 ~~section to the extent that such amounts are included in the taxpayer's federal~~  
166 ~~adjusted gross income and not otherwise deducted from the taxpayer's federal~~  
167 ~~adjusted gross income in the calculation of Missouri taxable income. This~~  
168 ~~subsection shall not apply to any individual who qualifies under federal~~  
169 ~~guidelines to be one hundred percent disabled.~~

170 ~~14. In addition to all other subtractions authorized in this section, for all~~  
171 ~~tax years beginning on or after January 1, 2010, there shall be subtracted from~~  
172 ~~Missouri adjusted gross income, determined under section 143.121, any~~  
173 ~~retirement benefits received by any taxpayer as a result of the taxpayer's service~~  
174 ~~in the Armed Forces of the United States, including reserve components and the~~  
175 ~~National Guard of this state, as defined in Sections 101(3) and 109 of Title 32,~~  
176 ~~United States Code, and any other military force organized under the laws of this~~  
177 ~~state, to the extent such benefits are included in the taxpayer's federal adjusted~~  
178 ~~gross income and not otherwise deducted from the taxpayer's federal adjusted~~  
179 ~~gross income in the calculation of Missouri taxable income. Such retirement~~  
180 ~~benefits shall be subtracted as provided in the following schedule:~~

- 181 ~~————— (1) For the tax year beginning on January 1, 2010, fifteen percent of such~~
- 182 ~~retirement benefits;~~
- 183 ~~————— (2) For the tax year beginning on January 1, 2011, thirty percent of such~~
- 184 ~~retirement benefits;~~
- 185 ~~————— (3) For the tax year beginning on January 1, 2012, forty-five percent of~~
- 186 ~~such retirement benefits;~~
- 187 ~~————— (4) For the tax year beginning on January 1, 2013, sixty percent of such~~
- 188 ~~retirement benefits;~~
- 189 ~~————— (5) For the tax year beginning on January 1, 2014, seventy-five percent~~
- 190 ~~of such retirement benefits;~~
- 191 ~~————— (6) For the tax year beginning on January 1, 2015, ninety percent of such~~
- 192 ~~retirement benefits;~~
- 193 ~~————— (7) For tax years beginning on or after January 1, 2016, one hundred~~
- 194 ~~percent of such retirement benefits.]~~

195

2 ~~[143.125. 1. As used in this section, the following terms mean: (1)~~  
 3 ~~"Benefits", any Social Security benefits received by a taxpayer age sixty-two~~  
 4 ~~years of age and older, or Social Security disability benefits; (2) "Taxpayer", any~~  
 5 ~~resident individual.~~

6 ~~————— 2. For the taxable year beginning on or after January 1, 2007, any~~  
 7 ~~taxpayer shall be allowed to subtract from the taxpayer's Missouri adjusted gross~~  
 8 ~~income to determine Missouri taxable income a maximum of an amount equal~~  
 9 ~~to twenty percent of the amount of any benefits received by the taxpayer and that~~  
 10 ~~are included in federal adjusted gross income under Section 86 of the Internal~~  
 11 ~~Revenue Code of 1986, as amended. For the taxable year beginning on or after~~  
 12 ~~January 1, 2008, any taxpayer shall be allowed to subtract from the taxpayer's~~  
 13 ~~Missouri adjusted gross income to determine Missouri taxable income a~~  
 14 ~~maximum of an amount equal to thirty-five percent of the amount of any benefits~~  
 15 ~~received by the taxpayer and that are included in federal adjusted gross income~~  
 16 ~~under Section 86 of the Internal Revenue Code of 1986, as amended. For the~~  
 17 ~~taxable year beginning on or after January 1, 2009, any taxpayer shall be allowed~~  
 18 ~~to subtract from the taxpayer's Missouri adjusted gross income to determine~~  
 19 ~~Missouri taxable income a maximum of an amount equal to fifty percent of the~~  
 20 ~~amount of any benefits received by the taxpayer and that are included in federal~~  
 21 ~~adjusted gross income under Section 86 of the Internal Revenue Code of 1986,~~  
 22 ~~as amended. For the taxable year beginning on or after January 1, 2010, any~~  
 23 ~~taxpayer shall be allowed to subtract from the taxpayer's Missouri adjusted gross~~  
 24 ~~income to determine Missouri taxable income a maximum of an amount equal~~  
 25 ~~to sixty-five percent of the amount of any benefits received by the taxpayer and~~  
 26 ~~that are included in federal adjusted gross income under Section 86 of the Internal~~  
 27 ~~Revenue Code of 1986, as amended. For the taxable year beginning on or after~~  
 28 ~~January 1, 2011, any taxpayer shall be allowed to subtract from the taxpayer's~~  
~~Missouri adjusted gross income to determine Missouri taxable income a~~

29 maximum of an amount equal to eighty percent of the amount of any benefits  
 30 received by the taxpayer and that are included in federal adjusted gross income  
 31 under Section 86 of the Internal Revenue Code of 1986, as amended. For all  
 32 taxable years beginning on or after January 1, 2012, any taxpayer shall be allowed  
 33 to subtract from the taxpayer's Missouri adjusted gross income to determine  
 34 Missouri taxable income a maximum of an amount equal to one hundred percent  
 35 of the amount of any benefits received by the taxpayer and that are included in  
 36 federal adjusted gross income under Section 86 of the Internal Revenue Code of  
 37 1986, as amended. A taxpayer shall be entitled to the maximum exemption  
 38 provided by this subsection:

39 ~~————— (1) If the taxpayer's filing status is married filing combined, and their~~  
 40 ~~combined Missouri adjusted gross income is equal to or less than one hundred~~  
 41 ~~thousand dollars; or~~

42 ~~————— (2) If the taxpayer's filing status is single, head of household, qualifying~~  
 43 ~~widow(er), or married filing separately, and the taxpayer's Missouri adjusted~~  
 44 ~~gross income is equal to or less than eighty-five thousand dollars.~~

45 ~~————— 3. If a taxpayer's adjusted gross income exceeds the adjusted gross~~  
 46 ~~income ceiling for such taxpayer's filing status, as provided in subdivisions (1)~~  
 47 ~~and (2) of subsection 2 of this section, such taxpayer shall be entitled to an~~  
 48 ~~exemption equal to the greater of zero or the maximum exemption provided in~~  
 49 ~~subsection 2 of this section reduced by one dollar for every dollar such taxpayer's~~  
 50 ~~income exceeds the ceiling for his or her filing status.~~

51 ~~————— 4. The director of the department of revenue may promulgate rules to~~  
 52 ~~implement the provisions of this section. Any rule or portion of a rule, as that~~  
 53 ~~term is defined in section 536.010, that is created under the authority delegated~~  
 54 ~~in this section shall become effective only if it complies with and is subject to all~~  
 55 ~~of the provisions of chapter 536 and, if applicable, section 536.028. This section~~  
 56 ~~and chapter 536 are nonseverable and if any of the powers vested with the general~~  
 57 ~~assembly pursuant to chapter 536 to review, to delay the effective date, or to~~  
 58 ~~disapprove and annul a rule are subsequently held unconstitutional, then the grant~~  
 59 ~~of rulemaking authority and any rule proposed or adopted after August 28, 2007,~~  
 60 ~~shall be invalid and void.]~~

61

2 [143.127. 1. For all tax years beginning on or after January 1, 2000, the  
 3 following amounts received by an individual or returns and payments to an  
 4 individual shall be subtracted from such individual's federal adjusted gross  
 5 income, to the extent such amounts, returns or payments are included in such  
 6 individual's federal adjusted gross income:

7 ~~————— (1) Amounts received as reparations or restitution for the loss of liberty~~  
 8 ~~or life or damage to health by the victims of National Socialist (Nazi)~~  
 9 ~~persecution;~~



- 9 ~~\_\_\_\_\_ (2) Returns of tangible or intangible property seized, misappropriated or~~  
 10 ~~lost as a result of National Socialist (Nazi) actions or policies and any cash values~~  
 11 ~~in replacement of such property;~~
- 12 ~~\_\_\_\_\_ (3) Payments of insurance policies purchased prior to December 31,~~  
 13 ~~1945, by the victims of National Socialist (Nazi) persecution; and~~
- 14 ~~\_\_\_\_\_ (4) Any accumulated or accrued interest on such amounts, returns or~~  
 15 ~~payments.~~
- 16 ~~\_\_\_\_\_ 2. The subtraction of the amounts, returns or payments from an~~  
 17 ~~individual's Missouri adjusted gross income shall only apply if such individual~~  
 18 ~~was a victim of National Socialist (Nazi) persecution, actions or policies or is the~~  
 19 ~~spouse or descendant of a victim of National Socialist (Nazi) persecution, actions~~  
 20 ~~or policies, and such individual or family member is the first recipient of such~~  
 21 ~~amounts, returns or payments.~~
- 22 ~~\_\_\_\_\_ 3. As used in this section, "National Socialist (Nazi) persecution, actions~~  
 23 ~~and policies" means persecution, actions or policies taken by Germany and other~~  
 24 ~~countries, or by organizations, institutions and companies within those countries,~~  
 25 ~~against the victims of the Nazi Holocaust.]~~  
 26

2 ~~[143.131. 1. The Missouri standard deduction may be deducted in~~  
 3 ~~determining Missouri taxable income of a resident individual unless the taxpayer~~  
 4 ~~or his spouse has elected to itemize his deduction as provided in section 143.141.~~  
 5 ~~\_\_\_\_\_ 2. The Missouri standard deduction shall be the allowable federal~~  
 6 ~~standard deduction.]~~

2 ~~[143.141. If federal taxable income of a resident individual is determined~~  
 3 ~~by itemizing deductions from his federal adjusted gross income, he may elect to~~  
 4 ~~deduct his Missouri itemized deduction in lieu of his Missouri standard~~  
 5 ~~deduction. The Missouri itemized deduction of a resident individual means the~~  
 6 ~~allowable federal itemized deductions which consist of allowable federal~~  
 7 ~~deductions other than those allowable in arriving at federal adjusted gross income~~  
 8 ~~and other than the federal deductions for personal and dependency exemptions,~~  
 9 ~~with the following modifications:~~

- 10 ~~\_\_\_\_\_ (1) Reduced by the proportional amount thereof representing the tax~~  
 11 ~~imposed by sections 143.011 to 143.998;~~
- 12 ~~\_\_\_\_\_ (2) Reduced by the proportional amount thereof representing any income~~  
 13 ~~taxes imposed by another state of the United States or a political subdivision~~  
 14 ~~thereof or the District of Columbia;~~
- 15 ~~\_\_\_\_\_ (3) Increased by the fair market value of a literary, musical, scholarly, or~~  
 16 ~~artistic composition contributed to any tax exempt agency or institution which is~~  
 17 ~~operated on a not-for-profit basis by any taxpayer whose personal efforts created~~  
 18 ~~such composition less the amount deducted from federal adjusted gross income~~  
 19 ~~attributable to such contribution. The fair market value of such literary, musical,~~  
 20 ~~scholarly or artistic composition shall be determined by written appraisal of the~~

20 property by a person qualified to make such an appraisal other than the taxpayer;  
 21 the donee, or any "related taxpayer" within the meaning of such term as defined  
 22 by sections 267(b) and 1313(c) of the Internal Revenue Code, as amended. The  
 23 appraisal shall be made within one year of the date of the donation and attached  
 24 to the taxpayer's income tax return;

25 ~~\_\_\_\_\_ (4) Increased to the extent not otherwise deductible, by the taxes for the~~  
 26 ~~same taxable year for which the return is being filed that are imposed by the~~  
 27 ~~following provisions of the Internal Revenue Code:~~

28 ~~\_\_\_\_\_ (a) Section 3101, relating to the tax on employees under the Federal~~  
 29 ~~Insurance Contributions Act;~~

30 ~~\_\_\_\_\_ (b) Sections 3201 and 3211, relating to the taxes on railroad employees~~  
 31 ~~and railroad employee representatives under the Railroad Retirement Tax Act;~~

32 ~~\_\_\_\_\_ (c) Section 1401, relating to tax on self-employment income, to the~~  
 33 ~~extent that such taxes were not deducted in the computation of the taxpayer's~~  
 34 ~~federal adjusted gross income under the Internal Revenue Code of 1986, as~~  
 35 ~~amended.]~~

36

2 ~~[143.143. The provisions of sections 143.131 to 143.143 shall apply with~~  
 3 ~~respect to all taxable years beginning after December 31, 1976.]~~

3

2 ~~[143.151. For all taxable years beginning before January 1, 1999, a~~  
 3 ~~resident shall be allowed a deduction of one thousand two hundred dollars for~~  
 4 ~~himself or herself and one thousand two hundred dollars for his or her spouse if~~  
 5 ~~he or she is entitled to a deduction for such personal exemptions for federal~~  
 6 ~~income tax purposes. For all taxable years beginning on or after January 1, 1999,~~  
 7 ~~a resident shall be allowed a deduction of two thousand one hundred dollars for~~  
 8 ~~himself or herself and two thousand one hundred dollars for his or her spouse if~~  
 9 ~~he or she is entitled to a deduction for such personal exemptions for federal~~  
 10 ~~income tax purposes. For all tax years beginning on or after January 1, 2017, a~~  
 11 ~~resident with a Missouri adjusted gross income of less than twenty thousand~~  
 12 ~~dollars shall be allowed an additional deduction of five hundred dollars for~~  
 13 ~~himself or herself and an additional five hundred dollars for his or her spouse if~~  
 14 ~~he or she is entitled to a deduction for such personal exemptions for federal~~  
 15 ~~income tax purposes and his or her spouse's Missouri adjusted gross income is~~  
 16 ~~less than twenty thousand dollars.]~~

16

2 ~~[143.161. 1. For all taxable years beginning after December 31, 1997,~~  
 3 ~~a resident may deduct one thousand two hundred dollars for each dependent for~~  
 4 ~~whom such resident is entitled to a dependency exemption deduction for federal~~  
 5 ~~income tax purposes. In the case of a dependent who has attained sixty-five years~~  
 6 ~~of age on or before the last day of the taxable year, if such dependent resides in~~  
 7 ~~the taxpayer's home or the dependent's own home or if such dependent does not~~

7 receive Medicaid or state funding while residing in a facility licensed pursuant  
 8 to chapter 198, the taxpayer may deduct an additional one thousand dollars:

9 ~~2. For all taxable years beginning on or after January 1, 1999, a resident  
 10 who qualifies as an unmarried head of household or as a surviving spouse for  
 11 federal income tax purposes may deduct an additional one thousand four hundred  
 12 dollars:~~

13 ~~3. For all taxable years beginning on or after January 1, 2015, for each  
 14 birth for which a certificate of birth resulting in stillbirth has been issued under  
 15 section 193.165, a taxpayer may claim the exemption under subsection 1 of this  
 16 section only in the taxable year in which the stillbirth occurred, if the child  
 17 otherwise would have been a member of the taxpayer's household.]~~  
 18

~~[143.171. 1. For all tax years beginning on or after January 1, 1994, an  
 2 individual taxpayer shall be allowed a deduction for his federal income tax  
 3 liability under Chapter 1 of the Internal Revenue Code for the same taxable year  
 4 for which the Missouri return is being filed, not to exceed five thousand dollars  
 5 on a single taxpayer's return or ten thousand dollars on a combined return, after  
 6 reduction for all credits thereon, except the credit for payments of federal  
 7 estimated tax, the credit for the overpayment of any federal tax, and the credits  
 8 allowed by the Internal Revenue Code by Section 31 (tax withheld on wages),  
 9 Section 27 (tax of foreign country and United States possessions), and Section  
 10 34 (tax on certain uses of gasoline, special fuels, and lubricating oils):~~

~~11 2. For all tax years beginning on or after September 1, 1993, a corporate  
 12 taxpayer shall be allowed a deduction for fifty percent of its federal income tax  
 13 liability under Chapter 1 of the Internal Revenue Code for the same taxable year  
 14 for which the Missouri return is being filed after reduction for all credits thereon,  
 15 except the credit for payments of federal estimated tax, the credit for the  
 16 overpayment of any federal tax, and the credits allowed by the Internal Revenue  
 17 Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country  
 18 and United States possessions), and Section 34 (tax on certain uses of gasoline,  
 19 special fuels and lubricating oils):~~

~~20 3. If a federal income tax liability for a tax year prior to the applicability  
 21 of sections 143.011 to 143.996 for which he was not previously entitled to a  
 22 Missouri deduction is later paid or accrued, he may deduct the federal tax in the  
 23 later year to the extent it would have been deductible if paid or accrued in the  
 24 prior year.]~~  
 25

~~[143.174. For all tax years beginning on or after January 1, 2016, for  
 2 purposes of calculating the Missouri taxable income as required under section  
 3 143.011, one hundred percent of the income received by any person as salary or  
 4 compensation in any form as a member of the active duty component of the  
 5 Armed Forces of the United States, and to the extent that such income is included  
 6 in the federal adjusted gross income, may be deducted from the taxpayer's~~

7 ~~Missouri adjusted gross income to determine such taxpayer's Missouri taxable~~  
8 ~~income. If such person files a combined return with a spouse, any military~~  
9 ~~income received while engaging in the performance of active duty may be~~  
10 ~~deducted from their Missouri combined adjusted gross income.]~~

11

2 ~~[143.361. A resident estate or trust shall be allowed the credit provided~~  
3 ~~in section 143.081 (relating to an income tax imposed by another state).]~~

3

Section B. Section A of this act shall become effective on January 1, 2019.

✓